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The NATIONAL FOOD SITUATION

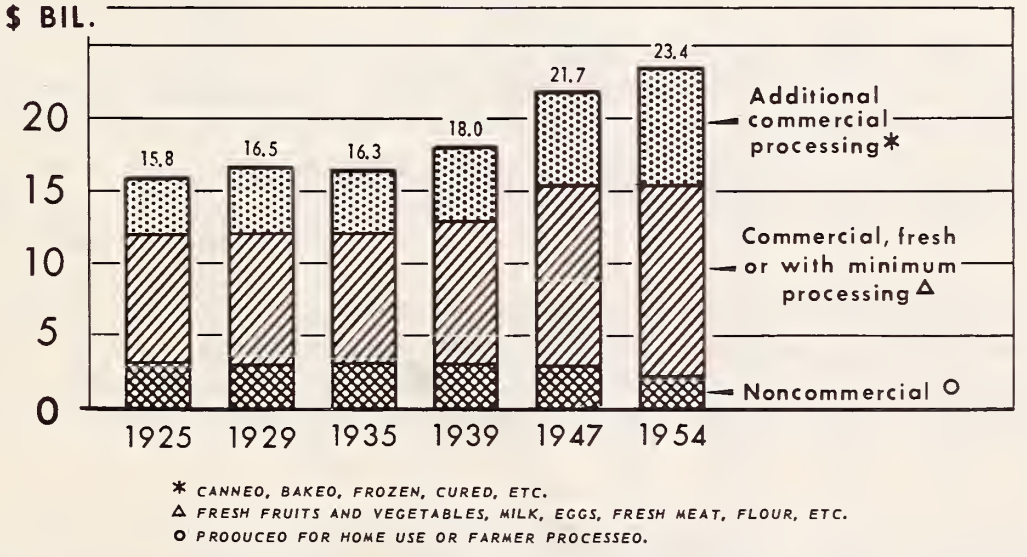
NFS-91

In this issue:
Patterns and Trends in U. S. Consumption of Processed Farm Foods

AMS

CIVILIAN FOOD USES OF DOMESTIC FARM PRODUCTS

Farm Values at 1947-49 Average Prices



* CANNED, BAKED, FROZEN, CURED, ETC.
△ FRESH FRUITS AND VEGETABLES, MILK, EGGS, FRESH MEAT, FLOUR, ETC.
○ PRODUCED FOR HOME USE OR FARMER PROCESSED.

U. S. DEPARTMENT OF AGRICULTURE NEG. 7643-60 (2) AGRICULTURAL MARKETING SERVICE

In the period 1925 to 1954 the proportion of the total civilian food supply sold as fresh or raw commodities, i. e., with minimum amounts of processing, was practically unchanged. The share of foods sold with additional processing, as by canning, freezing, or baking, increased from 25 to 35 percent, offsetting the decline in the proportion home produced or processed by farmers for sale.

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Table 1.--Volume of farm marketings and home consumption and civilian per capita food consumption, 1935-39 average, 1951-58, and estimates for 1959, with percentage comparisons

(Index numbers, 1947-49=100)

Item	1935-39 average	1951	1952	1953	1954	1955	1956	1957	1958	1959 Preliminary 1/	1959 as a percentage of 1935-39	1959 as a percentage of 1958
Marketings and home consumption of all farm commodities 2/	73	100	104	108	108	112	117	112	120	122	167	102
Food grains 3/	54	78	98	98	92	81	90	78	115	104	193	90
Vegetables 4/	88	99	93	95	95	97	101	100	100	100	114	100
Fruits and nuts 5/	89	104	99	98	99	103	105	103	103	110	124	107
Sugar crops	106	93	93	105	117	107	107	122	120	131	124	109
Total food crops 6/	74	90	95	96	93	91	96	91	107	103	139	96
Meat animals	73	103	106	108	112	119	125	120	118	122	167	103
Poultry and eggs	63	115	117	118	124	122	134	137	144	147	233	102
Dairy products	88	99	100	104	106	107	110	111	110	110	125	100
Total food livestock 7/	75	105	107	109	112	116	123	121	121	124	165	102
Food marketings and home consumption.	75	101	104	106	108	110	116	113	117	118	157	101
Civilian per capita food consumption ..	91	98	100	101	101	102	104	102	101	103	113	102

1/ Estimates for 1959 are based on calendar-year quantities estimated as of February 1, 1960. 2/ Food and nonfood items. 3/ Wheat, rye, rice, and buckwheat. 4/ Truck crops for fresh use and processing, potatoes, sweetpotatoes, dry edible beans, dry field peas, mung beans. 5/ Except peanuts. 6/ In addition to the crops listed above, includes peanuts, peppermint, popcorn, spearmint, and vegetables grown under glass. 7/ Also includes honey, but excludes turkey hatching eggs.

Table 2.--Index of supply-utilization of farm food commodities, 1935-39 and 1947-49 averages, and 1947-59 1/

Year	Production	Imports	Stock change 2/	Total utilization	Domestic use: Food: Civilian	Domestic use: Food: Military 3/	Domestic use: Nonfood 4/	Domestic use: Total	Commercial exports and shipments to Territories 5/	Department of Agriculture export program: Stock change 6/	Department of Agriculture export program: Deliveries 7/	Department of Agriculture export program: Net purchases 8/
				Section a. Percentage of total utilization in each year								
1935-39	93.9	8.2	-2.1	100.0	67.8	---	30.1	97.9	2.1	---	---	---
1947-49	95.5	6.5	-2.0	100.0	64.8	2.7	27.8	95.3	2.8	---	1.9	1.9
1947	91.6	6.0	2.4	100.0	64.1	2.4	27.6	94.1	3.3	0.4	2.2	2.6
1948	100.4	6.8	-7.2	100.0	65.7	2.9	27.4	96.0	2.4	-.2	1.8	1.6
1949	94.9	6.8	-1.7	100.0	64.6	2.8	28.3	95.7	2.6	-.2	1.9	1.7
1950	94.6	7.0	-1.6	100.0	65.2	1.4	28.8	95.4	3.2	-.1	1.5	1.4
1951	90.0	6.9	3.1	100.0	62.8	2.7	28.2	93.7	4.6	9/	1.7	1.7
1952	94.8	7.0	-1.8	100.0	65.4	2.1	27.0	94.5	5.2	9/	.3	.3
1953	95.5	7.3	-2.8	100.0	66.6	1.9	26.6	95.1	4.4	9/	.5	.5
1954	96.3	6.4	-2.7	100.0	67.3	1.6	25.7	94.6	5.0	9/	.4	.4
1955	95.7	6.5	-2.2	100.0	66.9	1.4	25.2	93.5	5.7	9/	.8	.8
1956	94.7	6.4	-1.1	100.0	66.0	1.3	24.8	92.1	7.1	9/	.8	.8
1957	94.9	6.5	-1.4	100.0	66.2	1.2	24.3	91.7	7.6	9/	.7	.7
1958 10/	98.7	6.7	-5.4	100.0	65.5	1.2	26.0	92.7	6.6	9/	.7	.7
1959 10/	95.0	7.2	-2.2	100.0	64.9	1.1	25.9	91.9	7.5	---	.6	.6
				Section b. Percentage of total utilization in 1947-49								
1935-39	71.8	6.3	-1.6	76.5	51.8	----	23.1	74.9	1.6	---	---	---
1947-49	95.5	6.5	-2.0	100.0	64.8	2.7	27.8	95.3	2.8	---	1.9	1.9
1947	93.7	6.1	2.5	102.3	65.6	2.4	28.3	96.3	3.4	0.4	2.2	2.6
1948	97.8	6.7	-7.0	97.5	64.1	2.8	26.8	93.7	2.3	-.2	1.7	1.5
1949	94.9	6.9	-1.6	100.2	64.7	2.8	28.4	95.9	2.6	-.2	1.9	1.7
1950	95.9	7.1	-1.6	101.4	66.1	1.5	29.2	96.8	3.2	-.1	1.5	1.4
1951	94.3	7.2	3.2	104.7	65.7	2.9	29.5	98.1	4.8	9/	1.8	1.8
1952	98.6	7.3	-1.9	104.0	68.0	2.2	27.9	98.1	5.5	9/	.4	.4
1953	100.0	7.7	-2.9	104.8	69.8	2.0	27.8	99.6	4.7	9/	.5	.5
1954	101.3	6.8	-2.9	105.2	70.8	1.7	27.0	99.5	5.2	9/	.5	.5
1955	104.9	7.1	-2.4	109.6	73.4	1.5	27.6	102.5	6.2	9/	.9	.9
1956	109.2	7.3	-1.2	115.3	76.1	1.5	28.6	106.2	8.2	9/	.9	.9
1957	108.8	7.4	-1.6	114.6	75.8	1.4	27.8	105.0	8.8	9/	.8	.8
1958 10/	114.6	7.8	-6.3	116.1	76.0	1.4	30.2	107.6	7.7	9/	.8	.8
1959 10/	115.4	8.8	-2.7	121.5	78.9	1.3	31.5	111.7	9.1	---	.7	.7

1/ Covers farm commodities normally used for food in the United States, including their nonfood use. Relationships were developed from quantitative data on supply and use of unprocessed and processed farm products multiplied by average prices in 1947-49. All values were adjusted to farm values. For methodology see Agriculture Handbook 91, Measuring the Supply and Utilization of Farm Commodities, New Indexes, 1924-54. 2/ Includes farm and commercial stocks and holdings under price support programs. Minus sign means an addition to stocks; plus sign means a withdrawal from stocks. 3/ Includes civilian feeding in areas occupied by our Armed Forces. 4/ Includes seed, feed, alcoholic beverages, industrial alcohol, etc. 5/ Excludes deliveries by the Department of Agriculture. 6/ Stocks held for export. Here, minus sign means a withdrawal from stocks; plus sign means an addition. 7/ Shipments out of this country. 8/ Represents new quantities withdrawn from domestic commercial channels. 9/ Less than 0.05 percent. 10/ Preliminary.

THE NATIONAL FOOD SITUATION

Approved by the Outlook and Situation Board, February 17, 1960

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SUMMARY

The demand for food in the United States will continue strong in 1960. Total food supplies are expected to be up some from 1959, but because of the population increase civilian per capita food consumption will likely differ little from last year. Retail food prices this year are expected to average about the same as in 1959.

Civilians will likely have as much livestock food products per capita this year as last. Increases are in prospect for beef, veal, lamb and mutton, and turkey. The averages for dairy products as a group, chickens, and lard will likely be about the same as in 1959, but some decline is indicated for pork.

Per capita consumption of food from crops also will be about as large this year as last. Among the fruits and vegetables, some increase can be expected for the frozen products. A pronounced gain over the low 1958-59 marketing year rate for dried fruits is likely this season. Some decline is probable for sweetpotatoes.

U. S. military purchases of food from domestic supplies may be a little lower this year than in 1959, but exports are likely to increase. The prospective sharp increase in rice exports will reduce carryover stocks next August.

U. S. civilian per capita consumption of food last year was somewhat larger than in 1958, reflecting mainly the combined effect of larger supplies and much lower prices. Expenditures for food per person in 1959 were a little

Table 3.--Apparent civilian per capita consumption of major food commodities, primary distribution weight, calendar years, 1935-39 and 1947-49 averages, 1957-59 and forecasts for 1960, with percentage comparisons 1/

Commodity	Average 1935-39	Average 1947-49	1957	1958	1959 Preliminary 2/	Forecast for 1960 2/	1960 as a percentage of 1935-39	1960 as a percentage of 1947-49	1960 as a percentage of 1959
	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Percent	Percent	Percent
Meats (carcass weight) - Total	127.0	148.5	159.1	152.0	159.6	158	124	106	99
Beef	55.6	65.6	84.6	80.5	81.5	83.5	150	127	102
Veal	8.1	9.7	8.8	6.7	5.8	6.0	74	62	103
Lamb and mutton	6.8	4.8	4.2	4.1	4.5	4.5	66	94	100
Pork (excluding lard)	56.5	68.4	61.5	60.7	67.8	64	113	94	94
Fish (edible weight) - Total	11.0	10.5	10.1	10.4	10.7	3/	---	---	---
Fresh and frozen	5.4	6.0	5.6	5.6	3/	3/	---	---	---
Canned 4/	4.9	3.9	3.9	4.2	3/	3/	---	---	---
Cured	.7	.6	.6	.6	3/	3/	---	---	---
Poultry products									
Eggs (farm basis) - Number	300	385	358	349	345	336	112	87	97
Chicken (ready-to-cook)	13.4	18.7	25.5	28.3	28.9	28.8	215	154	100
Turkey (ready-to-cook)	2.2	3.3	5.9	5.8	6.0	6.1	277	185	102
Dairy products									
Total milk fat solids	31.7	29.6	26.4	26.2	25.7	25.6	80	85	98
Total nonfat milk solids	39.6	46.2	47.7	47.6	48.3	48.3	122	105	100
Cheese	5.6	7.0	7.8	8.1	8.0	7.9	141	113	99
Condensed and evaporated milk	16.8	20.1	15.4	14.8	14.3	14.0	83	70	98
Fluid milk and cream	330	359	350	345	348	348	105	97	100
Ice cream (product weight)	9.9	18.7	18.0	17.8	18.7	19.0	192	102	102
Fats and oils - Total, fat content 5/	45.4	42.4	44.4	46.0	46.2	46.3	102	109	100
Butter, farm and factory (actual weight)	17.0	10.6	8.5	8.4	8.0	8.0	47	75	100
Margarine (actual weight)	2.9	5.6	8.6	9.0	9.2	9.3	321	166	101
Lard	11.0	12.4	9.5	9.7	9.0	8.9	81	72	99
Shortening	11.8	9.6	10.4	11.3	12.6	12.5	106	130	99
Other edible fats and oils	6.5	7.3	10.7	10.9	10.8	11.0	169	151	102
Cooking and salad oils 6/	3/	3/	3/	3/	9.7	9.8	---	---	101
Other edible	3/	3/	3/	3/	1.1	1.2	---	---	109
Fruits									
Fresh (farm weight) - Total	139.0	132.2	99.3	97.8	102.4	3/	---	---	---
Citrus	49.2	54.8	37.0	30.9	33.9	36.3	74	66	107
Apples (commercial)	30.6	25.6	19.3	22.5	22.2	3/	---	---	---
Other (excluding melons)	59.2	51.8	43.0	44.4	46.3	3/	---	---	---
Processed:									
Canned fruit	15.0	18.9	22.4	22.7	22.6	3/	---	---	---
Canned juices	3.9	15.9	13.2	12.7	11.3	3/	---	---	---
Frozen (including juices)	.8	3.2	9.0	8.0	8.8	3/	---	---	---
Dried	5.8	3.9	3.6	2.8	3.3	3/	---	---	---
Vegetables									
Fresh vegetables and melons (farm weight) 7/	140.2	147.8	130.3	128.8	125.1	3/	---	---	---
Fresh vegetables	113.2	120.4	104.6	102.1	99.5	3/	---	---	---
Melons	27.0	27.4	25.7	26.7	25.6	3/	---	---	---
Canned	30.1	39.2	43.9	44.7	44.5	3/	---	---	---
Frozen	8/.4	2.9	7.5	8.1	8.0	3/	---	---	---
Potatoes (farm weight)	130	114	106	99	101	3/	---	---	---
Sweetpotatoes (farm weight)	21.6	12.6	7.2	6.7	7.3	3/	---	---	---
Dry edible beans	8.8	6.7	7.5	7.7	7.7	3/	---	---	---
Dry field peas	.6	.6	.6	.2	.7	3/	---	---	---
Sugar, refined	97.4	95.1	97.0	98.1	98.0	98	101	103	100
Grains									
Corn products: Cornmeal	23.1	12.9	8.4	8.2	8.1	8.0	35	62	99
Corn sirup	7.7	9.9	8.9	9.5	9.8	9.8	127	99	100
Cornstarch	1.3	1.8	1.8	1.8	1.8	1.8	138	100	100
Corn sugar	2.7	4.2	3.5	3.8	3.9	3.9	144	93	100
Breakfast cereals	1.6	1.5	1.7	1.7	1.7	1.7	106	113	100
Hominy	1.4	2.8	2.2	2.2	2.2	2.2	157	79	100
Oat food products	3.9	3.3	3.2	3.2	3.2	3.2	82	97	100
Barley food products 9/	1.4	1.6	1.1	1.1	1.1	1.1	79	69	100
Wheat: Flour 10/	160	137	119	120	119	119	74	87	100
Breakfast cereals	3.3	3.2	2.8	2.8	2.8	2.8	85	88	100
Rye flour	2.3	1.4	1.3	1.2	1.2	1.2	52	86	100
Rice, milled	5.8	4.9	5.8	5.7	5.1	5.2	90	106	102
Beverages									
Coffee 11/	14.0	18.2	15.7	15.9	16.2	16.5	118	91	102
Tea	.67	.58	.61	.60	.60	.60	90	103	100
Cocoa beans	4.4	4.1	4.2	3.7	4.0	4.2	95	102	105
Peanuts (shelled)	4.3	4.4	4.5	4.5	4.5	3/	---	---	---

1/ Quantity in pounds except for eggs which are stated in number. Data on calendar year basis except for dried fruits, which are on pack year basis; fresh citrus fruits, dry field peas, and peanuts on a crop year basis; rice on August 1, year; and canned fruits and vegetables on pack year basis in 1935-39. All years begin in year indicated except for fresh citrus, which begins in October of the previous year, and rice, which begins in August of previous year. 2/ Excludes Alaska and Hawaii. 3/ Not available. 4/ Excludes canned food products containing small quantities of fish, such as clam chowder, etc. 5/ Computed from unrounded data. 6/ Fully processed liquid vegetable oils. Including use in mayonnaise and salad dressings, potato products, bakery products, and in fish canning, etc. 7/ This series covers total commercial production for sale as fresh, both for shipment to distant markets and for local markets. Excludes farm garden output for farm household use. 8/ Average 1937-39. Data prior to 1937 are not available. 9/ Barley used for food products in terms of malt equivalent. 10/ Includes white whole wheat and semolina flour. 11/ Green bean basis.

Population estimates used to obtain per capita consumption figures are official Census estimates of civilian population.

higher than in the preceding year because average purchases of the more expensive foods and services with food were up. Food processing and distribution charges averaged one percent higher than in 1958.

Civilians had noticeably more meat per person in 1959 than a year earlier because of the increase for pork. The rate for beef was about the same as in 1958. Consumption of both chicken and turkey rose to a record level, and increases also occurred for fluid milk, ice cream, and nonfat dry milk. Declines occurred for butter, lard, and eggs.

Per capita consumption of fresh citrus fruits and frozen citrus juice concentrates increased last year. In 1958 supplies of citrus were low because of weather damage to crops. Increases also occurred for sweetpotatoes, margarine, and shortening. The gain for margarine partly offset the decline for butter. Civilians had a little more processed vegetables per capita as in 1958, but less fresh vegetables and melons. There was a substantial reduction for dried fruit because of short supplies.

RETAIL FOOD PRICES

Lower food prices in 1959 than a year earlier offset much of the increase for the other consumer goods and services. Accordingly, the BLS Consumer Price Index averaged around one percent above 1958. With retail food prices in 1960 likely to be about the same as last year, any rise in the CPI would reflect increases for consumer nonfood goods and services.

Consumer demand for goods and services, supported by a high level of disposable personal income, will continue strong in 1960. For food, the relatively large supplies will tend to offset the effect of consumer demand and little change in average prices is likely. The combined cost of processing and distributing food probably will inch up again in 1960.

Retail food prices in 1959 averaged from 2 to 2½ percent below those of 1958. The reduction reflected the lower level of prices received by farmers for the larger supplies they produced. Consumer demand for food was at a high level last year. Marketing charges for food averaged one percent higher than in 1958.

Among the individual major food groups, noticeable price declines from 1958 occurred for meats, eggs, food fats and oils, fruits and vegetables, and beverages. Dairy product prices averaged about the same, but those of sugar and sweets and cereals and bakery products increased.

Per capita expenditures for food, including marketing services, were a little higher than a year earlier. With prices down substantially in 1959, there was more spent on the average for more expensive food and for services with food. The increase between 1957 and 1958 reflected the rise in food prices in 1958 to a new high.

Consumers spent slightly over 20 percent of their disposable income on food in 1959, somewhat less than in 1958 as disposable income increased more than did food expenditures.

COMMODITY REVIEWS

Meat

Civilian consumption of meat last year is estimated at 159.6 pounds per capita, 7.6 pounds more than in 1958. The increase reflected mainly the effect of sharply larger supplies and lower retail prices of pork. Prospects for 1960 are that meat supplies will be a little larger than in 1959. However, because of the expected proportionately greater increase in the civilian population, consumption on a per capita basis will likely be down slightly from last year's relatively high rate. Retail prices of meat may average a little higher in 1960 than in 1959.

Meat production rose sharply in 1959, exceeding year-earlier levels throughout the year. The sharpest gains in output were in pork and lamb; beef made a modest gain. Veal production declined as producers continued to withhold calves from slaughter for building up cattle numbers and for feeding to heavier weights. Net imports of meat in 1959 topped the billion pound mark, and was a record. It was comprised largely of the types used in processed items such as sausage and canned meats. Consumption per person rose to an annual rate of about 159.6 pounds, up 7.6 pounds from 1958. Though this rate is below those of 1955 and 1956, it is considerably above those for the other postwar years. Demand for meat continued strong throughout 1959, despite some lessening in economic activity late in the year concurrent with the steel strike. Retail meat prices, as measured by the Bureau of Labor Statistics, averaged 4 percent below 1958. Most of the decline in retail prices occurred after midyear and was associated primarily with lower pork prices.

Beef production in 1959 was 2 percent larger than a year earlier. The number of cattle slaughtered commercially was 3 percent less than in 1958, but this was more than offset by the increase in the average live weight per animal slaughtered. The average dressed weight of cattle slaughtered under Federal inspection was 26 pounds heavier than in 1958 and record high.

Heavier average weights were the result of some increase in the proportion of fed cattle in the total number of cattle slaughtered and a gain in the average weight per fed animal. Such shifts are usual during the expansion phase of the cattle cycle. At that time, cow and calf slaughter is relatively low and a larger proportion of the steers and heifers slaughtered are fed to heavier weights. Last year, grade by grade, the average weight of slaughter steers at 7 markets was above a year earlier. Hence, there were ample supplies of the better grades of beef last year, but a relative scarcity of the lower grades (notably cow beef) and of veal.

Demand for beef continued strong through 1959. Consumption averaged 81.5 pounds per person, a pound higher than in 1958. Retail prices of beef, as computed by the Agricultural Marketing Service, also averaged higher -- by 2 percent.

The supply-demand situation for the lower grades of beef, used largely in making processed meat items, resulted in domestic prices which encouraged imports. Beef imports reached a new high in 1959 at 1,047 million pounds, carcass weight equivalent. Australia and New Zealand were the principal suppliers. During the early months of the year imports of pickled and cured beef from South America were up sharply but inshipments were reduced by the tightening of import restrictions on such items in June. The discovery of viable foot-and-mouth virus in boneless, salted beef led to the prohibition against pickled or cured beef that could not be kept safely without refrigeration from countries where foot-and-mouth disease is known to exist.

Reduced calf slaughter reflected a high rate of withholdings for addition to breeding stock and for feeding to heavier weights. Commercial production of veal was 15 percent smaller than in 1958 and 35 percent less than 2 years earlier. Consumption per person averaged 5.8 pounds, down nearly a pound from 1958 and the lowest rate in 45 years. Retail prices of veal were high relative to beef, and a record.

Hog production trended upward in 1958 and 1959. The annual pig crops showed gains of 7.4 and 7.5 percent over the preceding year's crop. Pork output increased only slightly in 1958 but rose sharply last year to about 12 billion pounds, a peacetime record. Imports of pork, which represent a very small part of total domestic supplies, were somewhat lower than in the preceding year. Civilian consumption of pork averaged 67.8 pounds per person, 12 percent above the 1958 rate. Under the pressure of heavier supplies, retail pork prices in 1959 not only held below those of a year earlier, but the margin widened month by month. For the year as a whole, the retail price of pork (as measured by the AMS) averaged 57.1 cents per pound, down 7.7 cents from 1958.

Retail lamb prices also held below year-earlier levels during 1959. Lower prices were associated with reduced prices of pork and larger supplies of lamb and mutton than a year earlier. Lamb and mutton production was 8 percent larger than in 1958. Imports of lamb and mutton added over 7 percent to domestic supplies. The increase in imports provided about half of the 1959 gain in consumption per person over 1958. Civilian per capita consumption of this class of meat is estimated at 4.5 pounds, nearly a half pound more than in 1958.

Cold-storage stocks of meat increased by 86 million pounds during 1959, with most of the gain in pork. However, the year-end holdings were considerably below the postwar average. Military purchases of meat were somewhat lower than in 1958.

During 1959 the Department of Agriculture purchased approximately 70.2 million pounds of meat products at a cost of 30.8 million dollars for use under the National School Lunch Program. Purchases included 18.5 million pounds of ground pork, 27.0 million pounds of canned pork and gravy, 24.3 million pounds of ground beef and 0.4 million pounds of ground lamb. The purchase program was discontinued in late December.

Prospects for 1960 are that meat production will be a little larger than in 1959. The increase expected in the first half of the present year will be offset in part by reduced output in the second half. Imports probably will not equal the 1959 record. Total meat supplies will be up from last year, but relatively less than the increase in the civilian population. Accordingly, civilian per capita consumption of meat this year is expected to be about 1½ pounds less than the 159.6 pounds estimated for 1959. The probable gain in per capita consumption of beef and veal will likely be more than offset by a reduction for pork. Retail beef prices will likely average close to 1959 levels. Pork prices, now below a year earlier, probably will rise above those of 1959 sometime this spring and for the year will average somewhat higher than last year.

Cattle herds increased sharply last year. Based on the experience with previous cattle cycles, the rise in slaughter during 1960 probably will be moderate unless extensive drought should trigger heavy marketings. Much of the gain during the first half of this year will be in fed cattle which are the source of the better grades of beef. There were 9 percent more cattle and calves on feed this January 1 than last.

The outlook for beef supplies next summer and fall is less certain but a cyclical increase in the slaughter of nonfed cattle seems likely. Although cow slaughter is expected to pick up in 1960, the gain probably will not be large. In that event, manufactures of canned and other prepared meats may again obtain a considerable part of their supplies from foreign sources. Total imports of beef are expected to continue large, though below last year's record rate.

Continued ample supplies of the better grades of beef, which generally move through retail outlets as fresh cuts, probably will mean that retail beef prices will remain close to present levels. Prices in late 1960 may be supported by somewhat smaller supplies of better grades of beef, but any price increase will be limited by the seasonally large supplies of the lower grades.

Pork production will be somewhat lower this year than last. Output during the first three months will total larger than in the first quarter of 1959, partly due to the 2 percent larger crop last fall than in fall 1958. Output by midyear will be somewhat lower than a year earlier and will continue lower during the rest of 1960 if farmers carry out their intentions to reduce farrowings for the 1960 spring pig crop by 12 percent. The sharpest reduction from year-earlier levels will likely occur during the summer when slaughter probably will average 10-15 percent below that in the summer of 1959.

Pork consumption per person this year is expected to be about 64 pounds, down nearly 4 pounds from last year's rate.

The pattern of production points to relatively stable retail pork prices during the early months of this year, followed by a strong seasonal rise to a relatively high price this summer. For the year, retail prices will average considerably higher than in 1959.

The relatively high output of lamb and mutton last year probably will mean reduced output during the early part of this year. There were 7 percent fewer sheep and lambs on feed this January 1 than last. Output later in 1960 will come largely from this year's lamb crop. As the number of breeding ewes on hand January 1 was up 3 percent, expectations are that lamb and mutton output probably will be a little larger in the last half of 1960 than a year earlier. Civilian supplies likely will be increased by relatively large imports. The effects of increased imports of sheep, lambs, mutton and lamb are now being investigated by the U. S. Tariff Commission. Retail prices of lamb this winter are expected to average as high or a little higher than last winter. For the year as a whole they are not expected to average greatly different from 1959.

The USDA announced on February 5 that Federal grading of lamb carcasses would be continued under new revised standards. The changes should have the effect of lowering average fatness in the Prime and Choice grades. There should be a substantial increase in the number of lamb carcasses which qualify for the two top grades.

Fishery Products 1/

Civilian per capita consumption of fishery products in 1959 is estimated to have been 10.7 pounds, a little larger than a year earlier. The rate for the fresh and frozen products was about the same as in 1958, but there was some increase for the canned items. Current supplies appear adequate to maintain consumption by civilians at about the same rate this winter and early spring as last. A probable gain for the fresh and frozen fishery products is likely to counterbalance a decline for the canned. Retail prices of fishery products averaged somewhat lower than in 1958, when they were record high. Expectations are that prices in the next few months will likely be relatively stable, though averaging lower than a year earlier.

The catch of food fish and shellfish was more than a tenth lower in 1959 than in 1958. The reduction was principally in the species that are canned. Commercial landings are now at the low point of the year and will start increasing seasonally in early spring.

Production of canned fishery products was around 20 percent lower last year than in 1958. Tuna and mackerel were the only major canned products for which output was higher in 1959. The pack of salmon was a third less than in 1958 and the smallest since 1898. Production of canned salmon has been on the downtrend, particularly in the past decade, because of reduced raw material supplies. About a sixth fewer Maine sardines and two-thirds fewer California pilchards were packed last year. Consumption of canned fishery products was maintained at a somewhat higher rate per capita in 1959

1/ Prepared in cooperation with the Bureau of Commercial Fisheries, U. S. Department of the Interior.

than in 1958 by moderately larger imports and by drawing on the large stocks which were on hand at the beginning of the year. Accordingly, supplies of the canned products available for distribution in the next several months are noticeably lower than a year earlier.

Stocks of frozen edible fishery products were 13 percent larger this February 1 than last. Stocks represent the primary source of frozen fish and shellfish supplies until the seasonal pick up in the commercial catch in early spring.

Imports of fishery products were moderately larger in 1959 than in 1958. Increases occurred both for the fresh and frozen and the canned products. Exports were up substantially from 1958 because of the sharply increased movement abroad of the canned products -- particularly of California pilchards, salmon, and squid. Prospects for the next several months are that imports of fishery products will continue at a high rate, but exports will likely be substantially lower than in winter and spring 1959.

Poultry and Eggs

More turkey, about as much chicken,but fewer eggs per person probably will be available to consumers in 1960 than in 1959. Retail prices of eggs may average higher for the year as a whole than in 1959, but lower for turkeys and perhaps little different for broilers.

Supplies and per capita consumption of chickens and turkeys set a new record high in 1959. Egg production on farms was a record, slightly higher than in 1958, but consumption per capita continued the downtrend of the past decade. Chicken consumption per capita in 1959 totaled 28.9 pounds, ready-to-cook basis, more than double the rate of 20 years ago. Of this increase, 9.3 pounds or two-thirds of the total came between 1949 and 1959. Turkey consumption has traced a similar pattern, climbing from 2.5 pounds in 1939 to 6.0 pounds in 1959. Over three-fourths of the increase occurred in the last 10 years. In contrast, civilian egg use reached a postwar peak in 1951 at 392 eggs per person. Since then consumption has trended downward. The downtrend is likely to continue in 1960.

Retail prices for eggs in 1960 are likely to average somewhat higher than the unusually low prices of last year, turkey prices -- specially toward the end of the year -- may be lower, while broiler prices probably will show little change. In 1959 the BLS retail price of eggs averaged 53.0 cents per dozen, down 7.4 cents from the year before. Broilers at retail also registered a sharp reduction, reflecting declines in farm prices of more than 2 cents per pound from the year before. Unusual strength in turkey prices during the last two months of 1959 probably boosted the weighted average farm price for the year above the 23.9 cents per pound received by farmers in 1958.

The size of the flock is likely to continue smaller than last year throughout the year. On February 1 there were 3 percent fewer birds in the nation's laying flock than a year earlier. Farmers intend to buy 9 percent

fewer replacement-type chickens than in 1959. In addition, this year's flock will have a greater proportion of older, and therefore less productive, birds because 7 percent fewer replacement chickens were raised in 1959 than in 1958. All of this suggests that egg production through the flush production months of the spring, and probably beyond, will be below the 1959 level.

On December 28, 1959 the Department of Agriculture announced resumption of purchases of dried whole egg solids as a means of stabilizing egg prices to producers. The preceding program had been terminated last September when egg prices had achieved some seasonal rise. In the first three weeks of renewed operations, through February 11, about 4.5 million pounds of dried whole egg solids had been purchased. Purchases are being made with Section 32 surplus removal funds. The product bought will be made available to State agencies for distribution to the School Lunch Program and to needy persons. In 1959 both egg solids and frozen eggs were purchased. Total quantities removed from the market were equivalent to about 13 million pounds of dried whole egg, 0.6 percent of shell egg production in 1959.

Broiler chick placements ran below year-earlier levels from April through December 1959, but just after the turn of the year placements began to exceed the year before. Further increases over the year earlier may be restrained by a smaller supply of hatching eggs. The hatching egg supply will be limited by the sharp cutback in number of pullet chicks sold by the leading producers of breeding stock in the 9 months ending January 1960.

Retail broiler prices, as reported by BLS, trended downward during most of 1959, continuing the movement that got underway in the last quarter of 1958. In the first three quarters of 1959 prices were substantially lower than a year earlier, but during the last quarter prices leveled out and narrowed the year-to-year differences. Prices in 1960 may not average much different than in 1959. Some price strength compared to a year earlier may develop in the second half of the year.

Turkey prices increased in late 1959, when marketings of the record crop of 82 million birds tapered off. This crop was 5 percent above the year-earlier one. These higher prices will probably induce a further increase in output for 1960, with lower prices than in 1959 likely for the main marketing period. But until about mid-year, prices are expected to remain firm, reflecting lower storage stocks than a year earlier and seasonally light slaughter.

Growers in a January survey revealed plans to raise 6 percent more turkeys in 1960 than in 1959. A 12 percent planned increase for heavy breeds more than offset an 18 percent decline for light breeds. They intended to raise 21 percent more heavy white turkeys than in 1959. These white feathered birds, can be sold at immature weights to compete with Beltsville turkeys, or fed out almost to the weight of bronze turkeys.

Dairy Products

Prospects are that total supplies of milk and manufactured dairy products (in terms of fluid milk equivalent) in 1960 will be at least equal to last year. Production of milk may turn up in 1960. Stocks owned by the Commodity Credit Corporation at the start of the year were smaller than a year earlier. The support prices for milk and butterfat in the 1960-61 marketing year, which begins April 1, have been continued at the same level as in 1959-60. Retail prices of these foods are expected to average about the same this calendar year as in most of 1959.

On a per capita basis supplies of dairy products this year probably will be at least equal to the record low of 1959. Production of milk, on a per capita basis, has been on a downtrend for at least two decades, reflecting the effects of declining demand for a number of dairy products. It was just a little above 700 pounds in 1959 compared with the 1935-39 average of over 800 pounds.

Milk production in the U. S. jumped sharply in 1953 then made moderate further gains in each of the next 4 years. Output was considerably in excess of commercial use during this period. In 1958 it began to show a slight decline as comparatively high beef prices offset the influence of comparatively favorable milk-feed price relationships and encouraged farmers in a number of areas to reduce numbers of milk cows more than previously. Production continued to exceed commercial use but by a smaller margin than the average of the preceding 5 years. Prices for some classes of beef began to decline in 1959. Prospects for 1960 suggest some increase in milk output. This would reflect the combined effect of the slowdown in the rate of decline in numbers of dairy cows and the continued increase in average output of milk per cow.

Supplies of milk products this year will be sufficient to permit civilians to increase their per capita purchases from commercial sources over the 1959 rate. However, recent trends in consumers' purchases of dairy products, raise some question as to whether consumer demand for dairy products will show much of an increase this year, despite a significant rise in consumer income. The demand for a number of these items has been trending downward for several years even while real incomes of consumers have been increasing to new record high levels. The three products for which demand has dropped most are butter, evaporated milk and fluid cream. Consumption of butter and fluid cream in 1959 each were at an all time low; evaporated milk use per person was the lowest since 1931. Cheese showed a small drop in 1959 (0.1 pounds) from the record high level of 1958 (8.1 pounds per capita). Ice cream use was substantially higher in 1959 (a record 18.7 pounds, compared with 17.8 pounds a year earlier). With growing consumer incomes and increased long-term trend in its favor, the rate of ice cream consumption probably will rise somewhat further in 1960.

While per capita consumption of milk and manufactured dairy products as measured in terms of either fluid milk or fat solids has been trending downward, the rate in terms of milk solids-not-fat has continued to increase.

This reflects shifts in the pattern of consumption by civilians--for example, less butter and fluid cream and more nonfat dry milk solids and liquid skim milk products. At the same time, commercial supplies of milk solids-not-fat have been increasing as farmers marketed an increasing proportion of their milk output as whole milk. In the past a much more important part of the milk produced on farms was marketed as farm-separated cream for use in butter production, and the fluid skim milk remained on the farm for use mainly as feed for calves or hogs. As a result of this shift there is a more serious surplus problem for the milk solids-not-fat than for milkfat, the opposite of the situation in the mid-1950's.

The quantity of butter available for domestic distribution from CCC supplies declined some from 1958 to 1959. No uncommitted stocks of butter were held by CCC at the first of this year but it is quite possible that the increase in milk output will be greater than the increase in commercial takings of milk and its products in the next year or so. Butter consumption declined to the new record low of 8.0 pounds per person in 1959, but is expected to be the same this year as last. In 1959, distribution from CCC supplies of butter was equivalent to 0.7 pounds per person, and consumption of farm-churned butter remained at the 1958 rate of 0.6 pounds. The per capita rate of creamery butter use from commercial sources was no more than 6.7 pounds, a new record low.

Civilian consumption of cheese in 1960 is expected to average 7.9 pounds per capita. This differs little from last year's rate, but is $2\frac{1}{2}$ percent below the record reached in 1958.

Cheese distributed domestically by the Commodity Credit Corporation dropped 100 million pounds from 1958 to 1959, equivalent to over a half pound per person. Nonfat dry milk for domestic distribution probably will show little change in 1960. CCC purchases of butter and nonfat dry milk have increased seasonally in recent weeks and supplies of nonfat dry milk permit a resumption in export programs, which were suspended last October.

Distribution of fluid milk under the Special Milk Program reached $1\frac{1}{4}$ billion pounds in 1959 -- equivalent to over 7 pounds per person. For the last three years, a larger volume of milk has been moved via the Special Milk Program than through the regular School Lunch Program.

Per capita use of fluid whole milk and cream (total, milk equivalent basis) increased slightly in 1959 but may no more than hold steady in 1960. However, use of the several fluid skim milks or low-fat milks are continuing an uptrend. The same is true for some other primarily skim milk items such as cottage cheese and low-fat frozen deserts.

Fats and Oils

Supplies of food fats and oils during the remainder of the 1959-60 marketing year (which ends September 30) will continue record large. However, the difference between this year and last will narrow now that the seasonal peak in lard and vegetable oil output has passed. By the season's end carry-over stocks of food fats and oils are likely to be slightly less than last year. Total disappearance for the entire 1959-60 marketing year is expected to be more than 5 percent above the year-earlier total, and a new high.

Record large exports will account for most of the increase. Domestic use probably will rise with population growth, so per capita disappearance will likely differ little. Retail prices of food fats and oils products (except butter) probably will average slightly lower this spring and summer than last.

Stocks last October 1 (including the oil equivalent of soybeans) were up sharply from the previous year and output of food fats and oils this year is expected to be greater. Big increases over 1958-59 are expected in production of lard and edible vegetable oils this season.

Exports of food fats and oils in 1959-60 (including the oil equivalent of soybeans) may total around 3.7 billion pounds compared with 3.3 billion pounds a year earlier. More soybeans, lard and possibly edible vegetable oils will move abroad. Exports of cottonseed and soybean oils under P.L. 480 financing will be down considerably from last year, but a sharp rise in dollar shipments probably will boost the total to at least as much as the record 1,334 million pounds exported in 1958-59. Reduced exports this year under P.L. 480 financing reflect mainly a cutback in the quantity going to Spain, where output of olive oil is up sharply from last year. Spain has been the major importer of edible oils under the program. A heavy export movement of lard, edible oils and soybeans is being encouraged by the combination of low U. S. prices and smaller supplies than last year from sources outside this country. During October-December 1959, exports of soybeans were running 34 percent above the similar quarter of the 1958-59 marketing year, edible oils were up 31 percent, and lard was up 75 percent.

Total supplies of food fats and oils were record large in calendar 1959 with increases reported for all major commodities except butter. Civilian consumption averaged 46.2 pounds (fat content) per person, 0.2 pounds above the previous year's rate. The increase was in shortening and margarine, which were up 1.3 and 0.2 pounds per person, respectively. Direct use of lard fell off 0.7 pounds per person and consumption of butter by 0.4 pounds.

Retail prices for most food fats and oils in calendar 1959 was sharply lower than in 1958, according to the Bureau of Labor Statistics. Lard prices declined 13 percent, shortening 7 percent and margarine 5 percent. Butter, the only food fat registering a price increase, was up 1.5 percent. Retail prices of butter in 1960 may average a bit higher than in 1959 but those of lard, shortening and margarine likely will slip a little again this year.

Civilian use of food fats and oils in 1960 probably will not differ much from the 46.2 pounds (fat content) rate of last year. Butter use per person may be about the same as in 1959, but some increase is expected in margarine use. Consumption of lard as such will likely decline again this year, but that of shortening may remain virtually unchanged. Salad and cooking oil usage may inch up in 1960.

Fruit

Supplies of fresh fruits are expected to total somewhat smaller during the first half of 1960 than a year earlier, but those of processed fruits are indicated to be substantially larger. Retail prices for fresh fruits may not be greatly different from the corresponding January-June 1959 average, but those for various processed items probably will be somewhat lower.

Cold-storage stocks of fresh deciduous fruits were much smaller this February 1 than last, with the substantial increase for grapes much more than offset by noticeable reductions for both apples and pears. Storage stocks are the principal source of these fresh fruits during the first four to five months of the year. Imports of these fruits, though relatively small, will supplement storage supplies this winter and early spring before fruit from the domestic 1960 crops become available in volume. In addition, imports of bananas, which were larger than usual in 1959, probably will continue in heavy volume.

The various fruits in cold storage on January 1, 1960 came from the 1959 non-citrus crop that was about 3 percent larger than the 1958 crop and 8 percent above the 1948-57 average. All 1959 crops for which figures on production are available were larger than the respective 1958 crops except apples, sweet cherries, figs and olives. Especially heavy tonnages of most fruits were processed.

Among the major citrus fruits, remaining supplies of oranges for fresh use and for processing during the rest of the 1959-60 season are moderately lower than a year earlier. The orange crop to be marketed through the spring is estimated to be 6 percent greater this season than last, but utilization has been somewhat larger this season to date because citrus matured earlier this year. Noticeably fewer oranges are likely to be available this summer and early fall than last because of the reduced crop of California Valencias in prospect.

There are fewer grapefruit than a year ago for all uses during the remainder of the 1959-60 marketing season. The crop is estimated to be a little smaller this season than last because of reduced output in Florida -- the major producing area -- and utilization of the crop was earlier than in the 1958-59 season. For lemons, production indications point to continued large supplies into summer. In late summer, supplies -- although ample -- may fall below last year because of freeze damage to the crop in January.

Substantially more canned fruit is available for distribution this winter and spring than last. Data as of January 1 indicate substantially larger supplies than a year earlier of apricots, RSP cherries, fruit cocktail, grapefruit sections, peaches, pears and plums. Much more canned apples and applesauce were available at the beginning of this year, but the production season was still under way. There will be fewer canned sweet cherries and figs during the remainder of this marketing season than a year earlier. Canned fruit production in 1959 totaled much larger than in 1958 and was a record. The previous record pack was in 1956. Per capita consumption of canned fruit in 1959 is tentatively estimated at almost 23 pounds, the same as in the preceding year.

Supplies of processed citrus juices, most of which are made in Florida, are expected to continue larger this January-June than last. Supplies of canned single-strength citrus juices are expected to be sufficient to permit some increase over the 1958-59 season in the rate of consumption of the products by civilians. As of February 6, stocks held by packers in Florida were 41 percent larger than a year earlier. This reflected both the much larger carryovers into this pack season than last and the much larger output through February 6 than in the same part of the 1958-59 season.

Production of canned citrus juices was about 13 percent smaller in 1958-59 than in 1957-58, when canning was emphasized to minimize the loss of freeze-damaged fruit. Most of the reduction in 1958-59 was in orange juice. With supplies lighter (especially of citrus) and their retail prices higher, per capita consumption in 1959 of all canned fruit juices combined fell noticeably below the 1958 rate of nearly 13 pounds (single-strength basis).

More frozen concentrated citrus juices will be available this season than in 1958-59. Stocks of frozen orange juice concentrate currently are much larger than a year earlier and production will continue seasonally heavy this winter and spring. Supplies of frozen concentrated grapefruit juice also continue larger than a year earlier. With supplies larger and retail prices likely to average somewhat lower, civilian per capita consumption of frozen concentrated citrus juices will likely be a little larger in calendar 1960 than last year. In 1959 per capita consumption of frozen citrus juices is estimated to be about a pound above the 4.4 pound rate of 1958.

Stocks of frozen deciduous fruits and berries in cold storage on February 1, 1960 were about 6 percent smaller than those of a year earlier, reflecting reductions in all major items. These stocks constitute the principal supplies available during the remainder of the present marketing year, which ends in mid-1960. The pack of frozen deciduous fruits and berries totaled about as large in 1959 as in 1958. Output of frozen red, tart cherries is indicated to have been more than 20 percent greater than the relatively light 1958 pack and that of peaches was up about 2 percent. However, the important pack of frozen strawberries was down about 10 percent. Per capita consumption in 1959 was approximately 3.5 pounds, about the same as in 1958.

Supplies of dried fruits should continue much larger than a year earlier during the remainder of the present marketing season, which ends next summer. The heavier supplies this season reflect mainly the larger fruit crops in 1959 than in 1958 in California, where most of the dried fruit is produced. Raisin production in 1959 was almost a third larger than in 1958, and that of dried prunes was up about 50 percent. With more moderate increases for the less important other dried fruits, total production is indicated to be more than a third larger than the relatively light output in 1958-59. The heavier supplies in 1959-60 are expected to result in substantial increases in both exports and domestic consumption. Per capita consumption in 1959-60 may be as much as one-half pound over the 2.8 pounds in 1958-59.

Vegetables

Supplies of fresh vegetables will be a little larger this winter than last, with declines in a number of tender items more than offset by increases in several of the hardier crops. Retail prices may average close to those of last winter. As many frozen vegetables are available for distribution this winter and spring as a year earlier, but noticeably fewer canned products. There will be much fewer potatoes through early spring this year than last, but more sweetpotatoes. Retail prices of most processed vegetables may be a little higher than in the first half of 1959 and those of potatoes are

expected be up materially. Prices of sweetpotatoes will likely be down some this January-June.

Production this winter of vegetables for fresh use is expected to be 4 percent larger than last winter and 3 percent above the 1949-58 average. Due to freeze damage, output of a number of tender vegetables produced mostly in Florida is expected to be substantially smaller this winter than last. However, prospects are for larger production of a number of the hardier items. Among the more important winter vegetables, substantial reductions from a year earlier are expected for most tender items, including snap beans, sweet corn, tomatoes, and green peppers. Also, production of two of the important hardy crops -- celery and spinach -- are expected to be lower because of less acreage. But substantially larger winter crops are expected for other of the hardier items, including cabbage, carrots and lettuce. Dry onions will be in larger supply this winter and spring than a year earlier.

As usual, imports from Mexico and Cuba will supplement domestically produced supplies of fresh vegetables -- particularly tomatoes, peppers and cucumbers -- this winter and spring. Receipts from Mexico probably will be larger than a year earlier despite damage to crops there by rains and floods, but imports from Cuba are expected to be down some.

Consumption of both canned and frozen vegetables per person in 1959 was only slightly below the high rates of the year before. The higher rate in 1958 reflected in part the substitution of processed vegetables for a number of fresh vegetables during winter and early spring, when supplies of the fresh items were very tight and their prices high.

Despite limited supplies and high prices in the spring, consumption of potatoes per person in 1959 was a little larger than in 1958. This apparently was due largely to increased consumption of commercially processed potato products.

Civilian per capita consumption of sweetpotatoes in 1959 was somewhat larger than the record low of 1958. Retail prices throughout 1959 averaged moderately to substantially below those of a year earlier.

Consumption of dry edible beans per person in 1959 was about the same as in 1958. Exports in 1959 were well above those of the preceding year.

Indications are that supplies of canned vegetables through about midyear, when the current marketing season ends, will be somewhat smaller than a year earlier, but almost a tenth above the corresponding 1949-58 average. Supplies of sweet corn and spinach are materially greater than the relatively low ones of a year ago. On the other hand, there are a sixth less canned green peas than a year ago, about a fourth less sauerkraut, and materially less tomatoes and most tomato products. The reductions are largely in items which were in heavy supply a year ago. Most frozen vegetables are in ample supply, with the total about the same this February 1 as last.

During the next 2 months or so, processed vegetables -- particularly frozen items -- are expected to benefit from tight supplies and high prices for a number of tender fresh vegetables. Civilian per capita consumption of frozen vegetables in the first half of 1960 is expected to be moderately larger than in the first half of 1959, and the rate for canned vegetables slightly larger. Retail prices of most canned and frozen items during the remainder of the season are likely to average a little higher than those of a year earlier.

Through early spring, supplies of potatoes will be substantially smaller than the heavy ones of a year earlier. Stocks of fall crop potatoes, which represent the major part of the total supply available during the winter, are about a tenth smaller than a year ago. The winter crop, produced in California and Florida, is expected to be down a fourth. A potato diversion program is not in operation this season, and substantially fewer potatoes are expected to go into nonfood uses this winter than last. Civilian per capita consumption of potatoes in the first half of 1960 may average about the same as in 1959. Retail prices in the early spring are expected to remain well above those of a year earlier, but in late spring may be lower.

At least moderately more sweetpotatoes are estimated to be available now than a year ago. Retail prices during the next few months probably will average lower than a year earlier.

White classes of dry edible beans -- particularly pea beans -- are in larger supply than a year ago. However, colored classes are in tight supply because of smaller crops. During the remainder of the current season both domestic and export demand are expected to remain firm to strong. Retail prices of white beans probably will average close to those of a year earlier, but those of colored beans will average higher.

In calendar year 1959 civilian per capita consumption of fresh vegetables was a little smaller than in the preceding year; the rate for melons was down moderately. Among the more important vegetables, the rate was moderately higher than in 1958 for tomatoes, and slightly higher for celery and green peppers. More than offsetting these increases were material reductions in per capita consumption of cabbage, carrots, cauliflower and cucumbers, and slight reductions for string beans. Civilians used more cantaloup per person than in 1958, but the rate for watermelons was down materially. Retail prices of fresh vegetables in winter and early spring 1959 averaged well below the year-earlier high level, when supplies were light because of weather damage to the crop in Florida. However, from late spring through fall, prices averaged higher than in 1958.

Cereal Food Products

Civilian per capita consumption of cereal food products is expected to be about the same this year as last. Prices of these foods may average slightly higher than in 1959 because of likely continued increases in processing and distribution costs. In 1959, retail prices of bakery products and cereals averaged almost one percent higher than in 1958. This was the smallest year-to-year increase of the 1950's.

Supplies of grains (including rice) during the remainder of the present marketing year continue large, far in excess of anticipated total domestic needs and exports. Total stocks on January 1 were record large for the date, with increases over a year earlier for wheat and corn more than offsetting reductions for barley, oats, and rye.

Domestic use of wheat for food and nonfood purposes in calendar 1959 totaled 631 million bushels. Although this was 2 percent more than a year earlier, most of the increase was in nonfood uses. Civilian consumption of wheat in food products was slightly higher in total but down one pound per person from the 167 pounds (grain equivalent) rate of both 1957 and 1958. Except for 1958, the per capita wheat consumption rate has declined in every year since 1945. Exports and shipments of wheat and wheat products last year totaled 448 million bushels (grain equivalent), compared with 417 million in 1958 and the average of 381 million bushels for the years 1954-58. Retail prices of wheat flour averaged one percent lower in 1959 than in the year earlier, but those of bread were two percent higher.

The 1960 winter wheat crop, now growing, is estimated to be slightly larger than the year-earlier crop. Total wheat production in 1959 was 1,128 million bushels. This was 23 percent below the record output of 1,462 million bushels in 1958, but still the seventh largest. Carryover stocks of wheat next July 1 are expected to top the peak level of a year earlier.

A little less rye was used for food products during 1959 than in 1958 (4.5 million bushels compared with 4.6 million). On a per capita basis, use was down by 4 percent. Production of rye last year was 21.5 million bushels, 33 percent less than in 1958 and 12 percent below the average for 1953-57. Because domestic use and exports during the 1959-60 marketing season are expected to exceed output, carryover stocks next July 1 may be substantially lower than on the same date last year, though well above those in both 1957 and 1958.

Distribution of rice in the United States during the 1958-59 marketing year was equivalent to 5.1 pounds (milled basis) per person, down sharply from the 5.7 pounds of the preceding year and the 1947-56 average of 5.4 pounds pounds. The reduction from 1957-58 may be due to a large extent to shifts in stocks in unreported positions in channels of distribution than to a decline in consumption. The retail price of rice in 1958-59 averaged 4 percent higher than a year earlier.

The domestic supply of rice in the present marketing year is estimated at 69.0 million hundredweight (rough basis), 6.2 million more than in 1958-59. An increase in output more than offset the small reduction in carryover stocks. A further reduction in stocks is expected for this year since total domestic use (for food and nonfood) may be a little larger than a year earlier and exports may be around a third larger. A reduction in the carryover would be the third one since August 1, 1956, when stocks were at a peak.

Much more corn than a year earlier is available for use during the remainder of the present marketing year, but noticeably less barley and oats. The January 1 stocks situation reflect mainly the relative size of output last year. The corn crop in 1959 topped by 15 percent the record large output reached in 1958. Output of barley was down 12 percent from 1958 though a third above the 1948-57 average, and the oats crop was down 24 percent and the smallest in 20 years.

Per capita consumption of corn sugar and sirup in 1959 were each up about 3 percent over 1958. Consumption of these products has trended upward in recent years and the 1959 rates were the highest in more than 5 years. Food uses of cornstarch were estimated to be about the same as in 1958. Most of this product is used for industrial purposes.

Total supplies of feed grains and other feed concentrates are at a record level for 1959-60, 7 percent over 1958-59. These big supplies will provide ample feed for the production of meat, milk and eggs in 1959-60, as well as a large reserve for the years ahead. Even after allowing for heavy disappearance in 1959-60, a record carryover of feed grains into 1960-61 is in prospect. Feed prices this winter are generally favorable for dairymen and cattle feeders, but are higher than average in relation to prices of hogs, poultry and eggs.

Sugar

Assuming average weather conditions, domestic production of sugar in 1960 will be higher than in 1959. Acreage restrictions on sugarcane production have been eliminated in Louisiana, Florida and Puerto Rico, and acreage allotments have been increased for sugar beet growers in the continental United States. Production in Hawaii should continue to recover from the effects of the prolonged strike of sugarcane workers during the 1958 season.

Sufficient sugarcane is growing in Cuba to produce more than enough sugar to fill Cuba's share of the United States requirements under the marketing quota and to fulfill Cuba's obligation under the International Sugar Agreement. Indications at this time are that the decreed sugarcane crop of 5.5 million Spanish long tons will likely be produced in Cuba despite the social and economic adjustments which are now rapidly occurring there.

Deliveries of sugar for consumption in the continental United States in 1959 totaled a record 9,183,000 tons, raw value, compared to 9,030,000 in 1958. Per capita consumption in 1959 is estimated at 98 pounds, about the same as in 1958. The rate in 1960 should differ little from that in 1959. Retail sugar prices averaged more than one percent higher in 1959 than in 1958.

On December 17, the Secretary of Agriculture announced an initial sugar marketing quota for 1960 of 9,400,000 tons, raw value. This quota represents the estimated quantity of sugar required to meet the demands of consumers in the Continental United States. The final quota for 1959 was also 9,400,000 tons, having been raised twice during the year from the initial quota of 9,200,000 as demand proved stronger than anticipated.

PATTERNS AND TRENDS IN U. S. CONSUMPTION OF PROCESSED FARM FOODS 1/

This article describes some of the results of research on changes in patterns and trends in U. S. consumption of processed foods. 2/ It begins with a summary of benchmark data on the extent of processing, then takes up variations in the consumption of processed foods among groups in the population, considers the effects of factors behind the patterns and trends in purchases of processed foods, and concludes with some notes on the outlook for their consumption in the next 15 to 20 years.

Most foods bought by U. S. consumers have been processed to some extent, as by trimming, sorting, grading, milling, and slaughtering or with further processing by canning, freezing, baking,or in some other way. Modern food processing includes such a variety of forms that grouping of forms of processing by stage is desirable for economic analysis. In our research four stages of processing are identified as follows. The first stage includes those forms of processing necessary to prepare foods for sale in retail stores as "fresh" or "raw," that is, with minimum processing, e.g., trimming and sorting of fruits and vegetables, pasteurizing and bottling fluid milk, slaughtering livestock, and milling grains. The second stage includes special forms of additional processing of single commodities, as by canning, quick freezing, drying and curing, and manufacturing of butter and cheese. Processing of older mixed foods such as ice cream, bakery products, jams and jellies, constitutes the third stage. Newer mixed foods, like prepared flour mixes, frozen pies and TV dinners, are in the fourth stage.

The primary objective of this research has been to trace changes in the quantities of foods processed in the several forms and stages, not to measure amounts or values of processing services added. 3/ Moreover, we have sought to build up an overall picture, recognizing that data for some commodities may be unsatisfactory for individual analysis, but usable as components of combined groups or of overall totals. 4/

Major findings presented here are these:

(1) The proportion of the total civilian supply of farm foods processed in some special way, as by canning, drying, curing, freezing, or baking, went up from 25 percent to 35 percent from 1925 to 1954. Over the same period, the proportion of the food supply handled by marketing agencies rose from 80 percent to 91 percent.

1/ By Marguerite C. Burk, Statistical and Historical Research Branch, AMS.

2/ This research will be reported more fully in a bulletin now being prepared. Historical data were developed by Leva C. Taylor.

3/ For such information, see Waldorf, William H. "Indexes of Factory Production of Farm Food Products" in the Marketing and Transportation Situation, July 1959, and his forthcoming bulletin.

4/ Data on major canned and frozen commodities, commonly referred to as "processed foods," are available in Agr. Handb. 62 Consumption of Food in the United States, 1909-52 and its supplements.

(2) The greatest change among forms or types of processing over the 30-year period was the ninefold increase in freezing, followed by a 275 percent increase in total civilian use of canned foods. In contrast, the consumption of milled grains without further processing into bread, other bakery products, or mixes decreased 40 percent in the 30-year period.

(3) Urban use of commercially canned foods in spring 1955 ran higher among higher income households than at lower income levels, although the differential was not as much as the increase for all purchased foods. Among rural nonfarm and farm households, purchases of canned foods also increased with income, but somewhat irregularly.

(4) Within each urbanization, the per person use of all processed foods combined varied about as much with income in spring 1955 as did the use of purchased "fresh" or "raw" foods, i.e. relatively unprocessed. Consumption of commercially frozen foods varied most with income of any of the major forms.

(5) Changes in income from 1942 to 1955 apparently raised per capita quantities of purchased unprocessed foods and those of processed foods about 7 percent each. Increases in income clearly had more effect on consumption of frozen foods and perhaps on consumption of baked goods than on other processed forms.

(6) The per capita quantity of all purchased food may increase as much as 15 percent in the next 15 to 20 years on the basis of specified assumptions as to income, urbanization, and continued technological and social changes. Increases in per capita quantity of and expenditures for processed foods for home consumption are likely to be half again as much as those for unprocessed foods.

Benchmark Data on Extent of Processing

The lack of annual production and distribution data (a) on some foods that are processed in simple ways, such as drying and curing, (b) on the processing of the newer kinds of mixed foods, and (c) on bakery products precludes development of satisfactory annual series for the processing of all foods by factories and distributors. The periodic Censuses of Manufactures supply information on most forms of processing, but with varying degrees of coverage. Our research on historical data has included the assembly of all available data for selected years on the quantities of farm commodities processed into food and/or the output of individual food products from the Censuses of Manufactures, other Bureau of Census reports, reports of the U. S. Department of Agriculture and of trade associations. This information was cross-checked and reconciliations of conflicting estimates attempted. Finally, we developed the most reasonable approximations for all individual commodities for benchmark years, 1925, 1929, 1935, 1939, 1947, and 1954.

Since the objective of this measurement was to study historical changes in the overall volumes of farm commodities flowing into forms and stages of processing, it was necessary to combine data on individual commodities. In general, we used 1947-49 farm prices developed for the index of supply-utilization of farm commodities, described in Agriculture Handbook 91. 5/ An initial step was necessary for those food products which are joint products. For example, first the wholesale weights (carcass) of beef were valued at 1947-49 wholesale prices of beef, beef offal, and other beef products. Then the total wholesale value of beef products was adjusted back to the farm value of cattle slaughtered, by means of the ratio in each year of the value at 1947-49 farm prices of the cattle slaughtered to the value of the products produced at 1947-49 wholesale prices. A comparable procedure was used for such items as pork products, oils, and flour and cereals.

The cover chart of this issue depicts the marked decreases in relative importance of production for home use and of farmer processing for sale which have been offset by increases in commercial processing beyond the minimum degree for sale as "fresh" or "raw," described as "unprocessed" in this article. 6/ As indicated by the supporting data in table 4, there has been practically no change in the importance of sales of unprocessed foods in the total civilian food picture. But there has been a slight decline in the relative importance of these relatively unprocessed foods in the total quantity of food moving through commercial channels, from 69 percent in 1925 to 62 percent in 1954. The 52 percent increase in the total volume of unprocessed food handled commercially for civilian food use is to be compared with the 37 percent increase in the civilian population from 1925 to 1954.

Most of the increase in the relative importance of the second stage of processing occurred between 1947 and 1954. The peak importance among the benchmarks for the third stage, which encompasses the older types of mixed foods, was in 1947. Since then there has been some reduction because of the decline in the relative importance of commercial baking. By definition the fourth stage includes only modern convenience foods so it did not become important until recent years.

Changes in the civilian use of major commodities that have gone through the several stages of processing are measured by data in table 5.

The most significant change among the forms of processing has been the ninefold increase in freezing in the period 1925 to 1954, resulting from the development of the quick freezing process and of marketing facilities for handling quick frozen foods. (Fig. 1) The total quantity of foods canned rose 275 percent as additional types of foods were canned. In contrast, the

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5/ Measuring the Supply and Utilization of Farm Commodities. U. S. Agr. Mktg. Serv. Nov. 1955. 114 pp.

6/ Farmer processing for sale includes making of butter, livestock slaughter, handling of fluid milk for direct sale, etc.

Table 4.--U. S. civilian food use of farm foods subdivided by stage of processing, approximate farm values at 1947-49 prices, selected years 1/

Stage of processing	Approximate farm values at 1947-49 prices						Percentage distribution					
	1925	1929	1935	1939	1947	1954	1925	1929	1935	1939	1947	1954
	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.
Total civilian food use 2/	15,848	16,498	16,297	18,017	21,663	23,377	100.0	100.0	100.0	100.0	100.0	100.0
Produced for home use	2,839	2,723	2,837	2,859	2,586	1,921	17.9	16.5	17.4	15.9	12.0	8.2
Farmer processed (sale)	326	278	276	260	268	165	2.1	1.7	1.7	1.4	1.2	.7
Commercial:												
Total handled	12,683	13,497	13,184	14,898	18,809	21,291	80.0	81.8	80.9	82.7	86.8	91.1
First stage	8,695	8,965	8,888	9,758	12,402	13,222	54.9	54.3	54.6	54.2	57.2	56.5
Second stage	3,117	3,521	3,328	4,001	4,625	6,136	19.6	21.4	20.4	22.2	21.4	26.3
Canning	399	480	539	739	1,250	1,422	2.5	2.9	3.3	4.1	5.8	6.1
Freezing	3	5	4	13	111	630	3/	3/	3/	.1	.5	2.7
Curing and drying	1,034	1,176	749	1,089	978	1,377	6.5	7.2	4.6	6.0	4.5	5.9
Other	1,681	1,860	2,036	2,160	2,286	2,707	10.6	11.3	12.5	12.0	10.6	11.6
Third stage	871	1,011	968	1,137	1,773	1,770	5.5	6.1	5.9	6.3	8.2	7.6
Canning	3	3	7	14	52	69	3/	3/	3/	.1	.2	.3
Freezing	102	118	95	134	294	323	.7	.7	.6	.7	1.4	1.4
Baking	479	588	553	678	929	844	3.0	3.6	3.4	3.8	4.3	3.6
Other	287	302	313	311	498	534	1.8	1.8	1.9	1.7	2.3	2.3
Fourth stage 4/	---	---	---	2	9	163	---	---	---	3/	3/	.7

1/ Preliminary estimates based on census, AMS, and trade data. Stages of processing described in text. Statistical data comparable to those of the supply-utilization index.

2/ These totals differ from the value of civilian food use published in Agr. Handb. 91 by less than 1 percent for any year. Differences are due to refinement of prices and conversions in process of this research.

3/ Less than 0.05 percent.

4/ Includes some canned and frozen foods.

Table 5.--Civilian food use of major groups of farm commodities handled commercially, subdivided by stage of processing, in 1947-49 farm values, selected years 1/

Commodity group and stage of processing	1925	1929	1935	1939	1947	1954
	Mil.dol.	Mil.dol.	Mil.dol.	Mil.dol.	Mil.dol.	Mil.dol.
Total handled commercially	12,683	13,497	13,184	14,898	18,809	21,291
Meat animals	4,674	4,646	4,338	5,149	6,804	7,705
First	3,191	2,879	2,948	3,299	4,602	4,810
Second	1,480	1,764	1,387	1,842	2,152	2,809
Third	3	3	3	8	50	60
Fourth	---	---	---	---	---	26
Poultry	496	518	531	644	1,054	1,687
First	496	518	531	634	970	1,224
Second	---	---	---	10	84	455
Third	---	---	---	---	---	---
Fourth	---	---	---	---	---	8
Eggs	1,004	1,139	957	1,104	1,606	1,778
First	938	1,052	860	962	1,402	1,576
Second	---	---	---	---	---	---
Third	66	87	97	142	204	129
Fourth	---	---	---	---	---	73
Dairy products	1,743	2,062	2,151	2,430	2,998	3,398
First	603	807	807	919	1,463	1,729
Second	1,013	1,090	1,208	1,336	1,204	1,299
Third	127	165	136	175	331	370
Fourth	---	---	---	---	---	---
Fats and oils 2/	519	583	643	671	721	893
First	247	275	263	292	193	273
Second	184	191	256	196	248	336
Third	88	117	124	183	280	276
Fourth	---	---	---	---	---	8
Fruit and tree nuts	743	806	918	1,032	1,191	1,216
First	561	623	716	782	820	746
Second	127	132	153	213	325	418
Third	55	51	49	37	42	44
Fourth	---	---	---	---	4	8
Vegetables and vegetable type crops 3/	1,270	1,388	1,360	1,434	1,724	1,881
First	1,035	1,143	1,108	1,109	1,260	1,246
Second	235	245	248	311	440	585
Third	---	---	4	12	19	38
Fourth	---	---	---	2	5	12
Grains	1,119	1,172	1,008	1,069	1,123	1,128
First	666	636	553	571	398	402
Second	66	85	60	72	129	108
Third	387	451	395	426	596	598
Fourth	---	---	---	---	---	20
Sugars and sirups	528	482	476	476	550	571
First	426	372	358	327	303	326
Second	12	14	16	21	43	45
Third	90	96	102	128	204	192
Fourth	---	---	---	---	---	8
Beverages	548	658	767	849	995	981
First	494	619	711	825	950	840
Second	---	---	---	---	---	81
Third	54	39	56	24	45	60
Fourth	---	---	---	---	---	---
Miscellaneous 4/	39	43	35	40	43	53
First	38	41	33	38	41	50
Second	---	---	---	---	---	---
Third	1	2	2	2	2	3
Fourth	---	---	---	---	---	---

1/ Stages described in text. The first stage includes the simplest forms of processing of foods for sale in retail stores as fresh or raw. 2/ Includes edible peanuts. 3/ Includes potatoes, sweetpotatoes, beans, peas, and cowpeas. 4/ Popcorn, mustard seed, and honey.

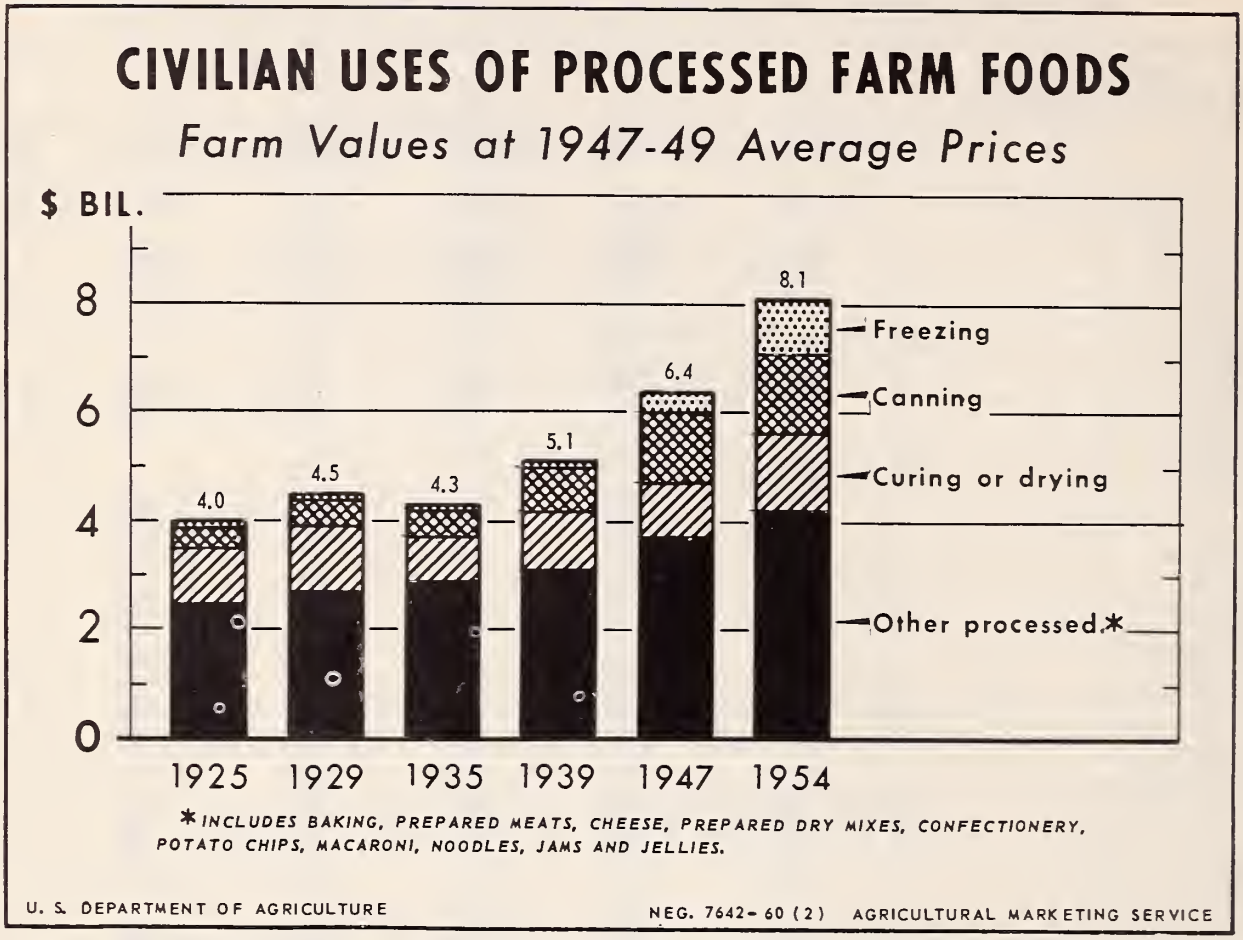

Figure 1

consumption of milled grains without further commercial processing into bread or other bakery products declined 40 percent over the 30-year period.

Variation in Consumption of Purchased Fresh and Processed Foods

The only comprehensive information on consumption of processed foods by groups within the population or by sectors of the market pertains to consumption by housekeeping households. 7/ There are several alternative approaches to the study of variations in fresh and processed food consumption among household groups. For this study only purchased foods are considered, excluding foods produced for home use.

7/ Information on use of processed foods by public schools may be found in Anderson, Kenneth E. and Hoofnagle, William S. The Market for Food in Public Schools. U. S. Agr. Mktg. Serv. Mktg. Res. Rept. 377, 58 pp., illus., Jan. 1960, and by employee food services in large manufacturing plants in Lifquist, Rosalind C. Buying Practices and Food Use of the Employee Food Services in Manufacturing Plants. U. S. Agr. Mktg. Serv. Mktg. Res. Rept. 326, 134 pp. illus. June 1959.

Table 6.--Approximate farm values per person of unprocessed and processed farm foods purchased for consumption at home in spring 1955, annual rates at 1947-49 average prices, U. S. by urbanization and income 1/

Section A. Subdivision by stage of processing

Urbanization, household size, and income (dollars)	Total purchased 2/	First stage, relatively unprocessed forms	With additional processing			
			Total 2/	Second stage	Third stage	Fourth stage
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
All urbanizations	141.95	89.82	52.12	36.70	13.98	1.45
Urban						
All households	160.05	104.35	55.70	39.07	14.95	1.68
1-person	175.61	114.25	61.36	46.60	13.92	.84
2 or more	159.36	103.84	55.52	38.92	14.93	1.67
Under 2,000	130.47	84.36	46.11	34.47	10.77	.86
Under 1,000	127.18	80.09	47.09	36.34	9.57	1.18
1-2,000	131.14	85.40	45.73	34.04	11.01	.69
2-3,000	142.60	91.01	51.59	37.44	12.76	1.39
3-4,000	150.02	96.44	53.58	37.15	14.83	1.59
4-5,000	157.63	102.32	55.31	38.18	15.20	1.93
5-6,000	167.86	109.92	57.95	40.00	16.03	1.91
6-8,000	172.73	112.12	60.61	41.64	17.05	1.91
8-10,000	170.70	112.21	58.48	39.69	17.02	1.78
10,000 and over	186.29	124.99	61.31	42.26	16.85	2.19
Rural nonfarm						
All households	135.17	82.48	52.69	37.54	13.83	1.32
1-person	158.74	94.51	64.23	47.30	15.65	1.28
2 or more	134.44	82.21	52.23	37.22	13.69	1.32
Under 2,000	95.77	58.51	37.26	28.55	8.07	.64
Under 1,000	82.44	50.14	32.30	25.57	6.36	.36
1-2,000	103.65	63.48	40.17	30.36	9.09	.72
2-3,000	128.21	76.69	51.52	37.40	12.97	1.14
3-4,000	131.87	78.81	53.06	37.36	14.38	1.32
4-5,000	147.61	92.14	55.48	39.04	14.76	1.68
5-6,000	151.37	93.29	58.08	40.19	16.37	1.51
6-8,000	159.26	97.75	61.50	43.16	16.83	1.52
8-10,000	173.24	110.33	62.92	42.43	18.15	2.34
10,000 and over	162.29	102.70	59.59	41.24	16.94	1.41
Farm						
All households	80.63	43.73	36.90	25.58	10.48	.84
1-person	119.64	65.81	53.83	38.89	14.23	.74
2 or more	80.15	43.50	36.63	25.44	10.39	.82
Under 2,000	67.90	38.50	29.40	21.42	7.49	.49
Under 1,000	61.90	37.22	24.68	18.58	5.79	.31
1-2,000	74.57	40.10	34.48	24.51	9.26	.71
2-3,000	82.86	43.28	39.58	27.58	11.13	.86
3-4,000	85.98	45.61	40.37	26.99	12.24	1.14
4-5,000	89.96	46.81	43.15	29.29	12.66	1.20
5-6,000	100.29	54.02	46.28	31.24	13.75	1.28
6-8,000	93.55	50.32	43.23	29.31	12.71	1.21
8-10,000	88.03	43.51	44.51	31.34	12.23	.95
10,000 and over	125.73	76.63	49.09	31.72	15.84	1.53

Footnotes on next page.

Table 6.--Approximate farm values per person of unprocessed and processed farm foods purchased for consumption at home in spring 1955, annual rates at 1947-49 average prices, U. S. by urbanization and income 1/ -Continued

Section B. Subdivision by form of processing

Urbanization, household size, and income (dollars)	Total further processed 2/	Canned	Frozen	Dried or cured	Baked	Other
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
All urbanizations	52.12	8.07	3.39	11.46	5.25	23.95
Urban						
All households	55.70	8.94	3.97	12.06	5.73	25.00
1-person	61.36	10.75	3.37	15.85	6.19	25.21
2 or more	55.52	8.84	4.02	12.00	5.74	24.91
Under 2,000	46.11	7.09	1.87	12.96	4.28	19.90
Under 1,000	47.09	7.60	2.32	13.90	4.21	19.06
1-2,000	45.73	6.92	1.70	12.60	4.22	20.29
2-3,000	51.59	8.73	2.45	12.21	4.62	23.59
3-4,000	53.58	8.54	3.20	12.11	5.63	24.10
4-5,000	55.31	9.17	4.13	11.25	5.79	24.98
5-6,000	57.95	8.92	4.39	12.58	6.10	25.96
6-8,000	60.61	9.45	4.86	12.66	6.76	26.87
8-10,000	58.48	8.77	5.65	10.22	6.13	27.70
10,000 and over	61.31	9.58	6.41	11.75	6.27	27.30
Rural nonfarm						
All households	52.69	8.12	2.77	12.12	4.99	24.68
1-person	64.23	12.36	2.42	16.56	6.39	26.50
2 or more	52.23	8.03	2.76	11.96	4.94	24.53
Under 2,000	37.26	5.58	1.07	10.80	3.09	16.72
Under 1,000	32.30	5.08	.82	9.95	2.63	13.83
1-2,000	40.17	5.83	1.22	11.18	3.40	18.55
2-3,000	51.52	9.07	2.23	11.22	4.32	24.68
3-4,000	53.06	8.16	2.59	12.12	5.23	24.96
4-5,000	55.48	8.15	2.99	12.10	5.38	26.86
5-6,000	58.08	8.30	3.68	12.72	6.04	27.34
6-8,000	61.50	10.04	3.85	13.99	6.25	27.38
8-10,000	62.92	8.81	6.18	14.09	5.97	27.86
10,000 and over	59.59	9.28	4.68	12.20	5.37	28.06
Farm						
All households	36.90	4.79	2.18	7.68	3.63	18.61
1-person	53.83	8.85	2.04	12.37	6.92	23.65
2 or more	36.63	4.72	2.20	7.62	3.58	18.52
Under 2,000	29.40	3.81	1.26	7.90	2.65	13.79
Under 1,000	24.68	2.89	.92	7.75	2.05	11.06
1-2,000	34.48	4.72	1.59	8.12	3.26	16.80
2-3,000	39.58	4.78	2.13	8.39	3.77	20.51
3-4,000	40.37	5.29	2.87	7.15	3.92	21.15
4-5,000	43.15	5.55	2.44	7.33	4.38	23.45
5-6,000	46.28	6.20	3.15	8.91	4.60	23.42
6-8,000	43.23	5.62	3.04	8.09	4.57	21.90
8-10,000	44.51	5.34	3.14	6.46	3.81	25.78
10,000 and over	49.09	6.64	5.10	10.65	5.01	21.69

1/ Stages described in text. The first stage includes the simplest forms of processing of foods for sale in retail stores as fresh or raw.

2/ Computed from unrounded data.

Consumption of purchased foods can be measured in terms of the farm commodities by using farm values or in terms of expenditures for food at home, which represent the retail value of purchased foods. Only the farm value data are used in this article, but expenditure data will be added for the analyses in the forthcoming bulletin. 8/ The statistics in table 6 show how the consumption of major forms of purchased foods measured in terms of farm values varied in spring 1955 among households grouped by urbanization and income.

By Urbanization Group

Farm household use per person of purchased farm foods averaged about half that of nonfarm households, reflecting differences primarily in purchases of livestock products. Farm households buy substantially smaller proportions of their foods in the fresh form, because many of them have home-produced supplies of milk, meat, eggs, fruits, and vegetables. Farm usage of processed foods is generally at substantially lower levels than the rates for rural nonfarm and urban households.

Farm use of purchased foods processed in other forms (other than frozen, canned, cured, dried, and baked) made up a relatively high proportion of total purchases by farm households. But the dollar value of such foods bought by farm households was slightly below the nonfarm averages. This "other" category includes butter and cheese. Farm use of purchased cheese (other than cottage cheese) averaged about the same as the U. S. rate. Farm purchases of butter ran relatively high because of the north central practice of selling milk and buying back butter.

By Income Group

Within each urbanization the use of all processed foods combined varied to about the same degree with income as did the use of foods purchased in relatively unprocessed forms in spring 1955. (Section A, table 6.) The use of frozen foods varied most with income of any of the major forms of further processing (Section B, table 6.) Among urban households, there was some increase in consumption rates from the lowest to the middle income groups for canned, baked, and the "other" categories. But consumption rates varied relatively little from the middle income groups to the higher income groups. Use of dried and cured foods apparently decreased with income. Among rural nonfarm and farm households, there was a substantial increase in the use of all major forms of purchased processed foods at successively higher income levels, partly reflecting the decrease in home production.

8/ The farm value data were originally developed, using 1947-49 farm prices and quantity data from the 1955 Household Food Survey, as part of the construction of the cross-section indexes of food consumption. They were described in the article "Introduction of New Regional Indexes for Food Consumption Analysis," National Food Situation, July 1959. For this study the farm values have been reassembled according to stage and form of processing.

Urban use of canned foods runs higher among higher income households than at lower income levels. However, the increase for all purchased foods is greater so that the proportion of canned in the total declines at the higher end of the income scale. Among households in the other two urbanization categories, purchases of canned foods also increase with income, but the patterns were somewhat erratic in 1955.

Factors Related to Variations in Consumption of Processed Foods

Factors affecting consumption rates for commercially processed foods may be subdivided according to whether they primarily affect supply or demand. Supply elements include technological changes, cost relationships, and marketing institutions and facilities. Demand elements include the influence of income, urbanization, home food production, ways of living, and employment and education of homemakers.

Although available data and procedures do not permit us to measure the influences of the supply elements on consumption of processed foods, it is possible to identify some of the major changes which have occurred in the last decade or two. Among technological changes, we immediately think of the quick freezing of foods, particularly the concentrated and prepared items, and the development of instant coffee. The rise in the prices of fresh foods since 1947 has been more than that for processed foods except bakery products. Higher prices for fresh items probably reflect the higher costs involved, and they have apparently encouraged some of the shift in consumption to processed foods.

Changes in marketing institutions and facilities are illustrated by the increased availability of processed foods, especially frozen commodities. Another type of major change has been the great expansion in supermarkets offering varied and large stocks from which the consumer can choose.

The influence of demand factors on changes in the consumption of processed foods cannot be studied directly with time-series data because such data concurrently reflect the effects of changes in supply. But sets of cross-section data derived from household food surveys provide indications of the possible effects of major demand elements.

Changes in the extent of home food production in the last 20 years have been influenced by the decrease in the farm population and by the effects of availability of refrigeration facilities on home beef production and on the rural use of commercially processed meat and other foods. The decline in home food production has been a kind of intermediate factor in the demand for processed foods, being caused by changes in income, urbanization, and ways of living. Therefore, its effects were not singled out in our analysis.

Changes in Income

The importance of changes in income to changes in the purchase and use of processed foods can be studied by reweighting the spring 1942 and spring 1955 consumption patterns of the several income groups within each urbanization

by alternative income-size distributions. 9/ Such calculations have indicated that changes in income from 1942 to 1955 could have raised the per capita quantity of relatively unprocessed farm foods purchased by U. S. consumers about 7 percent and the quantity of all processed forms of food combined to about the same extent. The increases in income clearly had more effect on consumption of frozen foods and perhaps on baked goods than on other processed forms.

Changes in Urbanization

The effects of shifts in the distribution of the population among the three urbanization categories from 1942 to 1955 on purchases of processed farm foods have been tested using the farm value data. The very substantial off-farm movement which occurred between 1942 and 1955 could not have increased purchases of unprocessed and major processed forms of farm foods more than 2 to 4 percent.

Changes in the Relationship of Consumption of Processed Foods to Income

The effects of changes in income-processed food relationships are measured as a residual after one adjusts for the effects of changes in income and urbanization. 10/ Changes in these relationships include the effects of both supply and demand elements. Demand elements include such factors as changes in home food production and in employment and education of homemakers, less domestic help, less emphasis on home training in food preparation, greater premium on saving time for other activities than cooking, more children, changing child-feeding practices, and less home storage space.

For relatively unprocessed foods, there was apparently no significant change in the relationships of purchased items to income between spring 1942 and spring 1955.

For processed foods, there is considerable evidence of changes in income-food relationships or patterns. About two-thirds of the change in the per capita purchases of processed farm foods cannot be explained by the effects

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9/ The term "income-size distribution" refers here to the distribution of the housekeeping population among groups or classes based on the size of their disposable money income per family. The procedures used to calculate the effects of changes in income-size distribution, urbanization, and the relationships of consumption of processed foods to income level are similar to those described on pages 578-585 of the article, "An Economic Appraisal of Changes in Rural Food Consumption," Jour. Farm Economics XL:3:572-590, August 1958.

10/ The procedure used for such calculations is described in the reference given in note 9.

of changes in income and urbanization. Much of the overall increase in levels of use of commercially processed foods probably offset decreases in home food production.

About two-thirds of the change in the quantity of farm foods purchased in the canned form between 1942 and 1955 is not explainable by income and urbanization shifts. Detailed analysis of the data for spring 1942 and spring 1955 revealed a notable rise in the rural Engel curves for these commodities. 11/

Most of the change in the purchases of frozen foods cannot be attributed to income and urbanization changes. This is obvious when one recalls the major technological and marketing changes which took place over this period, resulting in much higher levels of Engel curves for frozen foods purchased by all households. In the case of baked goods, the fall in the Engel curve of income-purchase relationships for urban households was apparently offset by some rises in the Engel curves for rural households and by the effects of income and urbanization shifts.

The quantity of cured and dried foods purchased per capita increased several times as much as would have been expected from survey information on the relationship of the purchases of these items to income and urbanization levels. The higher Engel curves for purchased pork products appear to have been an important factor in the shift. For processed foods other than those noted above, the relationships between the levels of real income and urbanization and the quantity of farm commodities purchased in such forms per person changes relatively little from 1942 to 1955.

Some Notes on Future Prospects

Our research on the outlook for changes in the consumption of processed foods is not yet complete, but some preliminary findings can be reported at this time. Consideration of the outlook for processed foods must be based on the prospects for changes in factors affecting the consumption of processed foods and the effects of such changes in the past.

From the supply side, further technological changes and developments are likely, but these must be the subject for later special research. Costs of transporting and handling foods in all forms are likely to continue to rise with changes in wage rates, problems in handling supplies in congested metropolitan areas, and higher costs of materials unless more efficient methods of handling are developed and widely adopted. Improved handling of fresh and frozen products is generally viewed to be necessary to maintain quality better in order to hold or regain consumer acceptance. The net costs of such improvements cannot be foreseen at this time, nor can their effects be measured.

11/ Engel curves are the graphic relationships obtained by plotting the average rates of consumption for each income class against its average income.

The demand for factory processed foods by eating places, the away-from-home food market, is likely to increase, due to rising labor costs in restaurants and other eating establishments. Although we may expect further increases in the proportion of the total food supply handled by eating places we lack basic statistical and economic information on which to develop sound projections for this segment of the market.

Future demand for processed foods for home consumption must be evaluated in terms of possible effects of potential increases in income, changes in urbanization, and changes in the relationships of purchased processed foods to income level and urbanization category. Related to these changes will be further declines in home food production. The importance of such production in the overall food picture may be cut in half in the next 10 to 20 years as the farm population declines further and as rural areas become more urbanized.

Projections of real incomes per capita and urbanization changes have been developed for other purposes. 12/ A projected 50 percent increase in real income per capita from 1954 to 1975 might be expected to increase per capita quantities of both relatively unprocessed and processed foods purchased about 5 to 7 percent. The greatest increases are likely in frozen foods and the smallest in cured and dried forms.

Analyses made using 1955 relationships of food purchases to urbanization indicate the likelihood that changes in this factor would have relatively little effect on the demand for processed foods in the next 15 years or so. The 1955 data lead to the hypothesis that shifts in urbanization might increase average purchases of unprocessed foods slightly more than those of processed foods. However, in the last 20 years changes in urbanization have affected purchases of processed foods more than unprocessed foods, contrary to indications from static cross-section data. In sum, it is safe to say that urbanization shifts in the next 15 years are not likely to have as much bearing on changes in the food picture as they have had in the last 15 to 20 years.

12/ Income data in Daly, Rex F. "Prospective Domestic Demands for Food and Fiber." Policy for Commercial Agriculture -- Its Relation to Economic Growth and Stability. Papers submitted by panelists appearing before the Subcommittee on Agricultural Policy. Joint Economic Committee. Nov. 22, 1957, pp. 108-118. (Reprinted by U. S. Agr. Mktg. Serv.)

Louis Ducoff has estimated that the farm population in 1975 may be only about 7 percent of the U. S. total. "The Farm Population and the Agricultural Labor Force in 1975." Pages 70-72 of Bogue, Donald J. (Editor); Applications of Demography; The Population Situation in the U. S. in 1975. Published by Scripps Foundation for Research in Population Problems (Miami University) and Population Research and Training Center (University of Chicago). 96 pp., illus. 1957. Estimates of 75 percent for urban and 18 percent for rural nonfarm appear plausible.

Changes in the relationships of purchases of processed foods to levels of real income and degree of urbanization constitute an area in which statistical and economic research can provide few definitive answers. Changes in these relationships are tied closely to technological developments and sociological changes. Nevertheless, from the historical data developed for this study, we may derive some working hypotheses about possible future changes in income-food consumption relationships. Judging from such data, we may expect little change in relationships of purchases of unprocessed foods to income and urbanization. The big items in this group are the fluid milks; fresh meat, poultry and fish; eggs; fresh fruits and vegetables; flour; and sugar. However, development of a concentrated sterile milk with wide consumer acceptance, improvements in processing and promotion of quick frozen meats and fish, and increased costs of handling fresh fruits and vegetables could upset this expectation of relatively little change to a considerable degree.

For processed foods we have witnessed marked changes in relationships of consumption to income and urbanization in recent years. Canned foods have a significant advantage over some other forms in that reasonable handling has relatively little effect on their quality, whereas the handling of frozen, baked, and some of the other processed forms of foods requires much more care. Therefore, if new canned products continue to be introduced and their quality carefully controlled, we may see some further increases in consumption by given real income and urbanization categories of consumers.

Further expansion in the frozen foods industry based on technological and product developments and improved marketing facilities is likely, but at a somewhat reduced rate. Accordingly, some further increases in the levels of consumer purchases of frozen food items for home consumption may be expected for given levels of income and urbanization. 13/

A repetition of the rise in the relationships of cured and dried foods to income seems quite unlikely. The change from 1942 to 1955 was particularly influenced by increased consumption of cured pork, for which consumption levels are now relatively high.

Within the "other processed" foods category are such items as butter, cheese, instant coffee, mayonnaise and salad dressing, shortening, margarine, confectionery, jams and jellies, and sausage. This group will include foods prepared and preserved by new methods in the future. Even though projections for such a mixed bag of foods are very hazardous, it appears likely that significant increases in the overall level of consumption of these foods as a group in relation to real income and urbanization status will occur.

13/ A detailed discussion of this outlook was given in The Outlook for Frozen Foods. AMS-154. 28 pp. Nov. 1956. This was a reprint from the Nov. 1956 issue of the Marketing and Transportation Situation.

These projections of potential changes in per capita purchases of the relatively unprocessed and commercially processed foods over the next 15 to 20 years on the basis of assumed changes in income, urbanization, and continued technological and social change may be summarized thus: The per capita quantity of all purchased farm foods may increase as much as 15 percent. The percentage increase in the per capita quantity of processed foods bought for home consumption is likely to be half again as much as that for relatively unprocessed foods. Prospects for increases in consumption of canned foods appear to be slightly less bright than for processed foods in general. Average consumption of frozen foods may go up another 40 to 50 percent and the "other processed" category as much as a fourth. Only minor increases in per capita averages appear likely for dried, cured, and commercially baked foods.

SELECTED RECENT ARTICLES, REPORTS, AND SPEECHES PERTAINING TO FOOD CONSUMPTION DATA AND ANALYSES 1/

"Changing Marketing Channels for Farm Foods," by Forrest E. Scott and Willard F. Williams. AMS-350, reprinted from The Marketing and Transportation Situation, MTS-135, October 1959. Pp. 17-31.

"Dairy Outlook for the 1960's," The Dairy Situation, DS-274, November 1959. Pages 5-12, 29-35.

"Consumer Expenditure Surveys and Price Indexes," by Joseph A. Clorety. Monthly Labor Review, September 1959. Pages 967-970. (Contains plans for revision of the Consumer Price Index.) 2/

"Food Consumption Trends and Their Significance to the Canning Industry," a talk by James P. Cavin before the Marketing Session of the National Canners Association Convention, Miami, Florida, January 20, 1960. 15 pp.

"The Outlook for Marketing Margins and Costs," a speech by Willard F. Williams at the 37th Annual Agricultural Outlook Conference, Washington, D. C., November 19, 1959.

"Some Contributions to the Study of Marketing Behavior," by Marguerite C. Burk. AMS-360, reprinted from Agricultural Economics Research, January 1960. Pages 13-20.

The Market for Food in Public Schools, U. S. Department of Agriculture, Agricultural Marketing Service, MRR-377, January 1960. 58 pp.

The Demand, Supply, and Price Structure for Eggs, by Martin J. Gerra. Technical Bulletin No. 1204, November 1959. 157 pp.

"Research for the Changing Agricultural Market," a speech by Harry C. Trelogan before the Experiment Station Section, American Association of Land-Grant Colleges and State Universities, November 10, 1959, St. Louis, Missouri. 5 pp.

1/ Selected on basis of usefulness for economic analysis of food consumption patterns and trends. Unless otherwise indicated, single copies of the publications may be obtained from the Marketing Information Division, Agricultural Marketing Service, USDA, Washington 25, D. C.

2/ Monthly Labor Review available from Superintendent of Documents, Government Printing Office, Washington 25, D. C., 55 cents a copy; subscription price, $6.25 per year.

Food Consumption and Dietary Levels of Households as Related to the Age of Homemaker, United States -- by Region, 1955 Household Food Consumption Survey Report No. 14, October 1959, is now available from the Office of Information, United States Department of Agriculture, Washington 25, D. C., as were the first 13 reports of the series. The first 5 deal with food consumption; Reports 6-10, with dietary levels; Report 11, with home freezing and canning; Report 12, with food production for home use; and Report 13, with home baking. The reports include data for the United States and for the Northeast, the North Central Region, the South, and the West.

INDEX TO SPECIAL ARTICLES APPEARING IN THE NATIONAL FOOD SITUATION DURING 1959 1/

Civilian use of farm foods, NFS-87, February 1959

Introduction of new regional indexes for food consumption analysis, NFS-89, July 1959

USDA donations of surplus foods to needy families, NFS-88, April 1959

Some findings of the survey of employee food services in manufacturing plants, NFS-89, July 1959

The national market for food in public schools, NFS-89, July 1959

The world food situation, NFS-90, October 1959

Recent articles, reports and speeches pertaining to food consumption data and analyses - this list appears in each issue.

1/ This list of special articles has appeared in the first-quarter issue of the National Food Situation each year since 1956.

Table 7.--Production of major food commodities, calendar years, 1935-39 and 1947-49 averages, 1957-59 and forecasts for 1960, with percentage comparisons 1/

Commodity	Unit	Average 1935-39	Average 1947-49	1957	1958	1959 Preliminary 2/	Forecast for 1960 2/ 3/	1960 as a percentage of 1935-39	1960 as a percentage of 1947-49	1960 as a percentage of 1959
Meats (carcass weight)										
Beef	Mil.lb.	6,937	9,649	14,211	13,342	13,600	14,500	209	150	107
Veal	Mil.lb.	1,038	1,454	1,528	1,189	1,030	1,100	106	76	107
Lamb and mutton	Mil.lb.	870	716	707	688	745	750	86	105	101
Pork (excluding lard)	Mil.lb.	7,337	10,281	10,478	10,528	12,025	11,475	156	112	95
Total meats	Mil.lb.	16,182	22,100	26,924	25,747	27,400	27,825	172	126	102
Fish (edible weight)										
Fresh and frozen	Mil.lb.	615	706	653	675	670	4/	---	---	---
Canned 5/	Mil.lb.	337	484	443	508	405	4/	---	---	---
Cured	Mil.lb.	74	70	66	60	60	4/	---	---	---
Total fish	Mil.lb.	1,026	1,260	1,162	1,243	1,135	4/	---	---	---
Poultry and eggs										
Eggs 6/	Mil.doz.	3,335	5,086	5,389	5,360	5,420	5,350	160	105	99
Chicken (ready-to-cook) 6/	Mil.lb.	1,730	2,753	4,409	5,026	5,200	5,300	306	193	102
Turkey (ready-to-cook) 6/	Mil.lb.	288	492	1,031	1,023	1,075	1,125	391	229	105
Dairy products										
Total milk 7/	Bil.lb.	105.9	116.3	125.9	124.9	124.4	127.0	120	109	102
Cheese 8/	Mil.lb.	673	1,160	1,407	1,395	1,379	1,380	205	119	100
Condensed and evaporated milk	Mil.lb.	2,225	3,497	2,873	2,749	2,722	2,660	120	76	98
Ice cream (product weight)	Mil.lb.	1,279	2,758	3,123	3,152	3,363	3,470	271	126	103
Fats and oils										
Butter, farm and factory (actual weight)	Mil.lb.	2,195	1,611	1,551	1,510	1,439	1,480	67	92	103
Lard 9/	Mil.lb.	1,630	2,419	2,559	2,441	2,805	2,725	167	113	97
Margarine (actual weight)	Mil.lb.	372	839	1,463	1,573	1,611	1,675	450	200	104
Shortening	Mil.lb.	1,529	1,434	1,808	2,006	2,250	2,300	150	160	102
Cooking and salad oils 10/	Mil.lb.	4/	4/	4/	4/	1,751	1,825	---	---	104
Other edible fats and oils 11/	Mil.lb.	2,157	3,912	6,732	6,988	8,123	8,250	382	211	102
Total fats and oils (fat content) 12/	Mil.lb.	5,554	7,627	10,540	10,645	12,086	12,166	219	160	101
Fruits										
Fresh:										
Citrus	Mil.lb.	6,875	8,782	7,404	6,118	6,816	7,400	108	84	109
Apples (commercial)	Mil.lb.	4,385	3,791	3,908	4,058	3,800	4/	---	---	---
Other (excluding melons)	Mil.lb.	4,661	4,504	3,998	4,186	4,351	4/	---	---	---
Processed:										
Canned fruit	Mil.lb.	1,710	2,597	3,443	3,347	3,922	4/	---	---	---
Canned fruit juices	Mil.lb.	333	2,230	2,278	2,034	1,970	4/	---	---	---
Frozen (including juice)	Mil.lb.	106	416	1,609	1,368	1,700	4/	---	---	---
Dried	Mil.lb.	1,118	962	715	601	818	4/	---	---	---
Vegetables										
Fresh vegetables and melons 13/	Mil.lb.	18,565	22,565	23,981	24,933	24,195	4/	---	---	---
Fresh vegetables	Mil.lb.	14,980	18,504	19,641	19,780	19,724	4/	---	---	---
Melons	Mil.lb.	3,585	4,061	4,340	5,153	4,471	4/	---	---	---
Canned	Mil.lb.	4,034	6,088	7,748	8,278	7,592	4/	---	---	---
Frozen	Mil.lb.	14/77	448	1,359	1,428	1,462	4/	---	---	---
Potatoes	Mil.cwt.	213	248	240	266	243	4/	---	---	---
Sweetpotatoes	Mil.cwt.	37	25	17	17	19	4/	---	---	---
Dry edible beans 15/	Mil.lb.	1,360	1,854	1,563	1,918	1,821	4/	---	---	---
Dry field peas 15/	Mil.lb.	229	401	333	249	438	4/	---	---	---
Sugar, raw basis	1,000 short tons	1,948	2,065	2,561	2,815	2,900	3,050	157	148	105
Grains										
Wheat	Mil.bu.	759	1,251	951	1,462	1,128	1,200	158	96	106
Rye	Mil.bu.	44.9	23.1	27.2	32.2	21.5	4/	---	---	---
Rice, milled	Mil.lb.	1,340	2,333	3,020	2,754	2,804	3,337	249	143	119
Corn, grain only	Mil.bu.	2,050	2,788	3,073	3,442	3,989	4/	---	---	---
Oats	Mil.bu.	1,045	1,294	1,301	1,416	1,074	4/	---	---	---
Barley	Mil.bu.	239	279	437	475	420	4/	---	---	---
Peanuts, farmers' stock basis	Mil.lb.	1,230	2,128	1,436	1,836	1,602	4/	---	---	---

1/ Calendar year basis except for fresh citrus fruit for which the season begins in the fall of the previous year; dried fruits on a pack year beginning year indicated; rice on a marketing year ending year indicated. 2/ Excludes Alaska and Hawaii. 3/ Forecasts or preliminary indications based on trends in livestock numbers, current or prospective rates of output, average or probable acreages and yields, and such other data or advance estimates as are available. These estimates are used only to indicate the general level of food supplies for domestic consumption for 1960, but they are based on such official estimates of production as are available at this time. Revisions will of course be made from time to time throughout the year as official indications or estimates are issued through the Crop Reporting Board of the Department. 4/ Not available. 5/ Excludes products containing small quantities of fish, such as clam chowder, etc. 6/ Includes an allowance for nonfarm production. 7/ Includes an allowance for nonfarm production declining from 2.3 billion pounds in 1935-39 to zero in 1956. 8/ Excludes full skim, cottage, pot, and bakers' cheese. 9/ Includes amount used in manufactured food and nonfood products. 10/ Fully processed liquid vegetable oils. Including use in mayonnaise and salad dressings, potato products, bakery products, and in fish canning, etc. 11/ Includes cottonseed, peanut, soybean, corn, edible olive, and oleo oils; oleo stock, oleostearine, and edible tallow later processed into margarine, shortening, cooking and salad oils, etc., and nonfood items. 12/ Includes butter, lard, and "other edible fats and oils." 13/ This series covers total commercial production for sale as fresh both for shipment to distant markets and local markets; includes quantities not harvested. Excludes farm garden output for farm household use. 14/ Average 1937-39. Data prior to 1937 are not available. 15/ Cleaned basis.

Table 8.--Retail food prices and total consumer price index, United States, 1950-57 and 1958-59 by months

(Index numbers, 1947-49=100)

Year and month	Meats 1/	Eggs	Dairy products 2/	Fats and oils 3/	Cereals and bakery products	Fruits and vegetables	Sugar and sweets	Beverages	All foods 4/	Consumer price index
1950	105	85	96	80	104	98	102	153	101	103
1951	117	104	107	94	114	107	106	169	113	111
1952	116	95	112	79	117	117	106	170	115	114
1953	110	100	110	80	119	114	108	174	112	114
1954	108	84	106	84	122	112	110	207	112	115
1955	102	87	106	81	124	114	112	186	110	114
1956	97	86	109	83	126	119	110	194	110	116
1957	105	82	112	87	130	119	113	193	114	120
1958	115	86	114	86	133	127	118	179	119	124
Jan.	110	88	115	86	132	122	114	185	117	122
Feb.	112	81	114	86	133	124	114	185	117	122
Mar.	114	91	114	86	133	131	114	183	120	123
Apr.	116	84	112	86	133	137	117	182	120	124
May	117	81	112	86	133	137	118	181	120	124
June	118	79	112	86	133	134	119	181	120	124
July	119	82	112	86	133	132	120	180	120	124
Aug.	118	87	113	86	133	125	120	178	119	124
Sept.	116	98	114	86	134	121	120	175	119	124
Oct.	115	91	114	86	134	121	120	174	118	124
Nov.	114	90	114	85	134	121	120	174	118	124
Dec.	113	84	114	85	134	120	120	171	117	124
1959 5/	111	76	114	82	134	125	120	163	116	125
Jan.	114	83	114	85	134	122	120	169	117	124
Feb.	113	80	114	84	134	121	120	165	116	124
Mar.	111	78	114	83	134	121	120	165	116	124
Apr.	112	69	113	82	134	124	120	164	115	124
May	112	64	113	82	134	126	120	162	115	124
June	112	63	112	82	134	134	120	161	117	124
July	112	75	113	82	134	131	121	161	117	125
Aug.	110	77	114	82	134	126	121	161	116	125
Sept.	110	83	116	81	134	124	121	161	116	125
Oct.	109	81	116	80	134	124	121	162	116	126
Nov.	108	79	116	80	134	123	121	161	115	126
Dec.	107	76	117	80	134	126	121	161	115	126

1/ Includes chicken and fish.
2/ Includes butter.
3/ Excludes butter.
4/ Includes only foods consumed at home.
5/ Averages computed by Agricultural Marketing Service.
Bureau of Labor Statistics.

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The NATIONAL FOOD SITUATION

NFS-92

In this issue:
Farmers' Planting Intentions
Postwar Trends in Consumption of Dairy Products

AMS

Approved by the Outlook and Situation Board, May 2, 1960

SUMMARY

Supplies of food will be about as large this spring and early summer as last. Civilian demand for food will remain strong. Retail food prices in the near future will rise, reflecting seasonal changes in supplies of some foods, but are expected to average close to those of a year earlier.

Prospects are that consumers will have a little more meat in the next few months than in mid-1959, including more beef and lamb, but less pork. Last summer pork supplies were unusually large for the time of year. More milk and dairy products are indicated because stocks are a little heavier and milk production may be up some. Eggs and lard will likely continue less plentiful than in 1959, but supplies of chicken and turkey are expected to be somewhat closer to the year-earlier level within a few months.

Processed fruits and citrus juices will be in heavier supply this spring and early summer than a year ago. More watermelons but fewer cantaloups are indicated for the next few months.

(Continued on page 3)

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Table 1.--Volume of farm marketings and home consumption and civilian per capita food consumption, 1935-39 average, 1952-59 and preliminary indications for 1960, with percentage comparisons

(Index numbers, 1947-49=100)

Item	1935-39 average	1952	1953	1954	1955	1956	1957	1958	1959	Indications for 1960 1/	1960 as a percentage of 1935-39	1960 as a percentage of 1958
Marketings and home consumption of all farm commodities 2/	73	104	108	108	112	117	112	120	122	124	170	102
Food grains 3/	54	98	98	92	81	90	78	115	104	98	181	94
Vegetables 4/	88	93	95	95	97	101	100	100	100	100	114	100
Fruits and nuts 5/	89	99	98	99	103	105	103	103	110	106	119	96
Sugar crops	106	93	105	117	107	107	122	120	131	139	131	106
Total food crops 6/	74	95	96	93	91	96	91	107	103	100	135	97
Meat animals	73	106	108	112	119	125	120	118	122	124	170	102
Poultry and eggs	63	117	118	124	122	134	137	144	147	146	232	99
Dairy products	88	100	104	106	107	110	111	110	110	113	128	103
Total food livestock 7/	75	107	109	112	116	123	121	121	124	125	167	101
Food marketings and home consumption.	75	104	106	108	110	116	113	117	118	118	157	100
Civilian per capita food consumption ..	91	100	101	101	102	104	102	101	103	103	113	100

1/ Estimates for 1960 are based on calendar-year quantities estimated as of April 1, 1960. 2/ Food and nonfood items. 3/ Wheat, rye, rice, and buckwheat. 4/ Truck crops for fresh use and processing, potatoes, sweetpotatoes, dry edible beans, dry field peas, mung beans. 5/ Except peanuts. 6/ In addition to the crops listed above, includes peanuts, peppermint, popcorn, spearmint, and vegetable grown under glass. 7/ Also includes honey, but excludes turkey hatching eggs.

Table 2.--Index of supply-utilization of farm food commodities, 1935-39 and 1947-49 averages, and 1947-59 1/

Year	Production	Imports	Stock change 2/	Total utilization	Domestic use: Food: Civilian	Domestic use: Food: Military 3/	Domestic use: Nonfood 4/	Domestic use: Total	Commercial exports and shipments to Territories 5/	Department of Agriculture export program: Stock change 6/	Department of Agriculture export program: Deliveries 7/	Department of Agriculture export program: Net purchases 8/
				Section a. Percentage of total utilization in each year								
1935-39	93.9	8.2	-2.1	100.0	67.8	---	30.1	97.9	2.1	---	---	---
1947-49	95.5	6.5	-2.0	100.0	64.8	2.7	27.8	95.3	2.8	---	1.9	1.9
1947	91.6	6.0	2.4	100.0	64.1	2.4	27.6	94.1	3.3	0.4	2.2	2.6
1948	100.4	6.8	-7.2	100.0	65.7	2.9	27.4	96.0	2.4	-.2	1.8	1.6
1949	94.9	6.8	-1.7	100.0	64.6	2.8	28.3	95.7	2.6	-.2	1.9	1.7
1950	94.6	7.0	-1.6	100.0	65.2	1.4	28.8	95.4	3.2	-.1	1.5	1.4
1951	90.0	6.9	3.1	100.0	62.8	2.7	28.2	93.7	4.6	9/	1.7	1.7
1952	94.8	7.0	-1.8	100.0	65.4	2.1	27.0	94.5	5.2	9/	.3	.3
1953	95.5	7.3	-2.8	100.0	66.6	1.9	26.6	95.1	4.4	9/	.5	.5
1954	96.3	6.4	-2.7	100.0	67.3	1.6	25.7	94.6	5.0	9/	.4	.4
1955	95.7	6.5	-2.2	100.0	66.9	1.4	25.2	93.5	5.7	9/	.8	.8
1956	94.7	6.4	-1.1	100.0	66.0	1.3	24.8	92.1	7.1	9/	.8	.8
1957	94.9	6.5	-1.4	100.0	66.2	1.2	24.3	91.7	7.6	9/	.7	.7
1958 10/	98.7	6.7	-5.4	100.0	65.5	1.2	26.0	92.7	6.6	9/	.7	.7
1959 10/	95.0	7.2	-2.2	100.0	64.9	1.1	25.9	91.9	7.5	---	.6	.6
				Section b. Percentage of total utilization in 1947-49								
1935-39	71.8	6.3	-1.6	76.5	51.8	----	23.1	74.9	1.6	---	---	---
1947-49	95.5	6.5	-2.0	100.0	64.8	2.7	27.8	95.3	2.8	---	1.9	1.9
1947	93.7	6.1	2.5	102.3	65.6	2.4	28.3	96.3	3.4	0.4	2.2	2.6
1948	97.8	6.7	-7.0	97.5	64.1	2.8	26.8	93.7	2.3	-.2	1.7	1.5
1949	94.9	6.9	-1.6	100.2	64.7	2.8	28.4	95.9	2.6	-.2	1.9	1.7
1950	95.9	7.1	-1.6	101.4	66.1	1.5	29.2	96.8	3.2	-.1	1.5	1.4
1951	94.3	7.2	3.2	104.7	65.7	2.9	29.5	98.1	4.8	9/	1.8	1.8
1952	98.6	7.3	-1.9	104.0	68.0	2.2	27.9	98.1	5.5	9/	.4	.4
1953	100.0	7.7	-2.9	104.8	69.8	2.0	27.8	99.6	4.7	9/	.5	.5
1954	101.3	6.8	-2.9	105.2	70.8	1.7	27.0	99.5	5.2	9/	.5	.5
1955	104.9	7.1	-2.4	109.6	73.4	1.5	27.6	102.5	6.2	9/	.9	.9
1956	109.2	7.3	-1.2	115.3	76.1	1.5	28.6	106.2	8.2	9/	.9	.9
1957	108.8	7.4	-1.6	114.6	75.8	1.4	27.8	105.0	8.8	9/	.8	.8
1958 10/	114.6	7.8	-6.3	116.1	76.0	1.4	30.2	107.6	7.7	9/	.8	.8
1959 10/	115.4	8.8	-2.7	121.5	78.9	1.3	31.5	111.7	9.1	---	.7	.7

1/ Covers farm commodities normally used for food in the United States, including their nonfood use. Relationships were developed from quantitative data on supply and use of unprocessed and processed farm products multiplied by average prices in 1947-49. All values were adjusted to farm values. For methodology see Agriculture Handbook 91, Measuring the Supply and Utilization of Farm Commodities, New Indexes, 1924-54. 2/ Includes farm and commercial stocks and holdings under price support programs. Minus sign means an addition to stocks; plus sign means a withdrawal from stocks. 3/ Includes civilian feeding in areas occupied by our Armed Forces. 4/ Includes seed, feed, alcoholic beverages, industrial alcohol, etc. 5/ Excludes deliveries by the Department of Agriculture. 6/ Stocks held for export. Here, minus sign means a withdrawal from stocks; plus sign means an addition. 7/ Shipments out of this country. 8/ Represents net quantities withdrawn from domestic commercial channels. 9/ Less than 0.05 percent. 10/ Preliminary.

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Supplies of fresh deciduous fruits and vegetables will increase seasonally as summer approaches, but those of fresh citrus will decline. The condition of trees in southeastern States during early spring pointed to another good-sized crop of peaches in that area. Potato supplies should increase noticeably as mid-1960 approaches. Supplies of many processed vegetables will continue less plentiful than a year earlier until the 1960 packs come on the market this summer. Food fats and oils, and grains for cereals and bakery products will continue to be more than adequate to meet anticipated domestic needs and exports.

Earlier this year, farmers reported to the Department of Agriculture that they intended to plant a slightly smaller acreage to major field crops than last year. Increased acreages were indicated for soybeans and the summer and fall crops of potatoes. Reduced plantings were reported for spring wheat, barley and oats.

RETAIL FOOD PRICES

The restraining influence which retail food prices had on the overall level of prices of all consumer goods and services last year continued into 1960. According to the Bureau of Labor Statistics, the Consumer Price Index averaged 1½ percent higher in January-March 1960 than a year earlier, while retail food prices were lower by about the same percentage.

Lower retail food prices this January-March than a year earlier reflected the large supplies available and reduced prices farmers received for food they marketed. Combined charges for processing and distributing food averaged about the same as in the first quarter of 1959. Compared with a year ago, retail prices this January-March were noticeably lower for meats, eggs, fats and oils, and beverages. Partly offsetting were increases for the dairy products, cereal and bakery products, fruits and vegetables, and sugar and sweets groups.

Table 3.--Apparent civilian per capita consumption of major food commodities, primary distribution weight, calendar years, 1935-39 and 1947-49 averages, 1957-59 and preliminary indications for 1960, with percentage comparisons 1/

Commodity	Average 1935-39	Average 1947-49	1957	1958	1959 Preliminary 2/	Preliminary indications for 1960 2/	1960 as a percentage of 1935-39	1960 as a percentage of 1947-49	1960 as a percentage of 1959
	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Percent	Percent	Percent
Meats (carcass weight) - Total	127.0	148.5	159.1	152.0	160.1	159.0	125	107	99
Beef	55.6	65.6	84.6	80.5	81.6	84.5	152	129	104
Veal	8.1	9.7	8.8	6.7	5.7	6.0	74	62	105
Lamb and mutton	6.8	4.8	4.2	4.1	4.5	4.5	66	94	100
Pork (excluding lard)	56.5	68.4	61.5	60.7	68.3	64.0	113	94	94
Fish (edible weight) - Total	11.0	10.5	10.1	10.7	10.7	10.6	96	101	99
Fresh and frozen	5.4	6.0	5.6	5.9	5.9	3/	---	---	---
Canned 4/	4.9	3.9	3.9	4.2	4.2	3/	---	---	---
Cured	.7	.6	.6	.6	.6	3/	---	---	---
Poultry products									
Eggs (farm basis) - Number	300	385	358	349	347	324	108	84	93
Chicken (ready-to-cook)	13.4	18.7	25.5	28.3	28.8	28.8	215	154	100
Turkey (ready-to-cook)	2.2	3.3	5.9	5.8	6.0	6.1	277	185	102
Dairy products									
Total milk fat solids	31.7	29.6	26.3	26.1	25.6	25.4	80	86	99
Total nonfat milk solids	39.6	46.2	47.7	47.3	47.5	47.7	120	103	100
Cheese	5.6	7.0	7.7	8.1	8.0	8.0	143	114	100
Condensed and evaporated milk	16.8	20.1	15.4	14.8	14.4	14.2	85	71	99
Fluid milk and cream	330	359	350	343	341	342	104	95	100
Ice cream (product weight)	9.9	18.7	18.0	17.8	18.7	19.1	193	102	102
Fats and oils - Total, fat content 5/	45.4	42.4	44.4	46.0	46.1	46.1	102	109	100
Butter, farm and factory (actual weight)	17.0	10.6	8.4	8.4	8.0	8.0	47	75	100
Margarine (actual weight)	2.9	5.6	8.6	9.0	9.2	9.3	321	166	101
Lard	11.0	12.4	9.5	9.7	9.0	8.8	80	71	98
Shortening	11.8	9.6	10.4	11.3	12.6	12.4	105	129	98
Other edible fats and oils	6.5	7.3	10.7	10.9	10.8	10.8	166	148	100
Cooking and salad oils 6/	3/	3/	3/	3/	9.7	9.7	---	---	100
Other edible	3/	3/	3/	3/	1.1	1.1	---	---	100
Fruits									
Fresh (farm weight) - Total	139.0	132.2	99.3	97.8	102.4	100	72	76	98
Citrus	49.2	54.8	37.0	30.9	33.9	35	71	64	103
Apples (commercial)	30.6	25.6	19.3	22.5	22.2	21	69	82	95
Other (excluding melons)	59.2	51.8	43.0	44.4	46.3	44	74	85	95
Processed:									
Canned fruit	15.0	18.9	22.4	22.7	22.0	23.6	157	125	107
Canned juices	3.9	15.9	13.2	12.8	11.2	12.7	326	80	113
Frozen (including juices)	.8	3.2	9.0	7.9	8.8	9.1	1,138	284	103
Dried	5.8	3.9	3.6	2.8	3.3	3/	---	---	---
Vegetables									
Fresh vegetables and melons, farm weight 7/	140.2	147.8	130.3	129.0	125.3	126	90	85	101
Fresh vegetables	113.2	120.4	104.6	102.1	99.7	101	89	84	101
Melons	27.0	27.4	25.7	26.9	25.6	25	93	91	98
Canned	30.1	39.2	43.9	44.8	44.7	44.8	149	114	100
Frozen	8/.4	2.9	7.5	8.1	8.5	8.8	2,200	303	104
Potatoes (farm weight)	130	114	106	99	101	103	79	90	102
Sweetpotatoes (farm weight)	21.6	12.6	7.2	6.7	7.3	6.0	28	48	82
Dry edible beans	8.8	6.7	7.5	7.7	7.5	7.6	86	113	101
Dry field peas	.6	.6	.6	.2	.4	.6	100	100	150
Sugar, refined	97.4	95.1	97.0	98.1	97.8	98	101	103	100
Grains									
Corn products: Cornmeal	23.1	12.9	8.0	7.6	7.5	7.5	32	58	100
Corn sirup	7.7	9.9	8.9	9.5	9.9	9.8	127	99	99
Cornstarch	1.3	1.8	1.9	1.9	1.9	1.9	146	106	100
Corn sugar	2.7	4.2	3.2	3.7	3.9	3.9	144	93	100
Breakfast cereals	1.6	1.5	1.7	1.8	1.8	1.8	112	120	100
Hominy	1.4	2.8	2.2	2.2	2.2	2.2	157	79	100
Oat food products	3.9	3.3	3.4	3.5	3.5	3.5	90	106	100
Barley food products 9/	1.4	1.6	1.1	1.1	1.1	1.1	79	69	100
Wheat: Flour 10/	160	137	119	120	119	118	74	86	99
Breakfast cereals	3.3	3.2	2.8	2.8	2.7	2.7	82	84	100
Rye flour	2.3	1.4	1.3	1.2	1.2	1.2	52	86	100
Rice, milled	5.8	4.9	5.8	5.7	5.1	5.2	90	106	102
Beverages									
Coffee 11/	14.0	18.2	15.7	15.9	16.0	16.3	116	90	102
Tea	.67	.58	.61	.60	.60	.60	90	103	100
Cocoa beans	4.4	4.1	4.2	3.7	4.0	4.2	95	102	105
Peanuts (shelled)	4.3	4.4	4.5	4.5	4.5	3/	---	---	---

1/ Quantity in pounds except for eggs which are stated in number. Data on calendar year basis except for dried fruits, which are on pack year basis; fresh citrus fruits, dry field peas, and peanuts on a crop year basis; rice on August 1, year; and canned fruits and vegetables on pack year basis in 1935-39. All years begin in year indicated except for fresh citrus, which begins in October of the previous year, and rice, which begins in August of previous year. 2/ Excludes Alaska and Hawaii. 3/ Not available. 4/ Excludes canned food products containing small quantities of fish, such as clam chowder, etc. 5/ Computed from unrounded data. 6/ Fully processed liquid vegetable oils. Including use in mayonnaise and salad dressings, potato products, bakery products, and in fish canning, etc. 7/ This series covers total commercial production for sale as fresh, both for shipment to distant markets and for local markets. Excludes farm garden output for farm household use. 8/ Average 1937-39. Data prior to 1937 are not available. 9/ Barley used for food products in terms of malt equivalent. 10/ Includes white, whole wheat, and semolina flour. 11/ Green bean basis.

Population estimates used to obtain per capita consumption figures are official Census estimates of civilian population.

In the next few months, retail food prices are expected to strengthen seasonally and average close to those in the same part of 1959. Consumer demand for food will be sustained by a high level of income. Total supplies of food will continue large, though some items -- particularly pork and eggs-- may become a little less plentiful than a year earlier.

COMMODITY REVIEWS

Meat

Supplies of meat for civilian consumption during the next few months will continue a little above those of a year earlier. Meat consumption per person is expected to about equal that in the same part of 1959, reflecting the larger population. Retail prices of meat probably will average close to those of last spring and early summer. Per capita meat consumption was somewhat higher this January-March than last and retail prices much lower.

The seasonal decline in meat supplies this spring and summer will likely be a little more than usual. Supplies will continue ahead of a year earlier since the prospective sharp reduction in pork production is expected to be a little more than offset by increased output of beef and of lamb and mutton.

The moderate output increase for beef in the next several months will be concentrated in the better grades, which reach consumers mainly as fresh cuts. This is indicated by the 8 percent greater number of cattle and calves on feed in 21 leading States this April 1 than last, farmers' plans to market a greater number for slaughter in the months ahead, and the likelihood that average slaughter weights of fed cattle will be maintained at a high level. Slaughter of cows and other grass cattle, the source of medium and lower grades of beef, probably will not show much gain over a year earlier until later in 1960. Favorable pasture prospects over much of the nation will likely discourage early marketings. Barring a sharp change in pasture conditions this summer, slaughter of cattle off grass this fall should be significantly larger than last fall.

Civilian per capita consumption of beef is expected to be a little larger this spring and early summer than last. The gain probably will be about the same as in January-March, when heavy supplies reflected a 9 percent increase in the number of fed cattle slaughtered. For 1960 as a whole, beef consumption is expected to average 84.5 pounds per person, about 3 pounds more than last year.

Consumption of veal per person was about as large this January-March as last, and probably will continue so into the summer. The rate for this year is forecast at 6 pounds per person, 5 percent higher than in 1959. Consumption of veal in the past few years has reflected reduced supplies and high prices. When farmers are building up herds as they have been doing the last two years, calf slaughter usually is low.

Pork production remained heavier through early spring this year than last. The seasonal decline will be larger than usual this spring, carrying the total below the year-earlier level by mid-1960. Output will continue lower during the rest of this year due to the downturn in the pig production which started last fall. The lower 1959 fall crop will be reflected in reduced pork output into early summer. Thereafter, lower supplies of pork will be due to the smaller spring crop of pigs this year.

Consumption of pork per person in the second quarter is expected to be close to that in April-June 1959. In the last two quarters of 1960 the consumption rates will likely be well below those of a year earlier. Pork consumption in 1960 probably will average more than 4 pounds below the 68.3 pounds consumed in 1959.

A little less lamb and mutton has been produced thus far this year than last and little increase is expected until later in 1960. The early lamb crop was 2 percent greater than last year, but marketings may be delayed because growth and development of the crop in some parts of the country has not been as rapid as usual. Domestic production likely will continue to be supplemented by imports, which are used mainly in processed meats. Civilians are expected to have $4\frac{1}{2}$ pounds of lamb and mutton per person, the same as in 1959.

Imports of meat for the next several months are likely to continue lower than a year earlier, when they were relatively high. More lamb and mutton has been imported so far in 1960 than in the same part of 1959, but less beef and pork. The decline for beef reflects some reductions in output in the major exporting countries and entry restrictions on pickled or cured beef from areas where foot-and-mouth disease is known to exist. These restrictions were tightened last June. Most of our pork imports originate in Canada. The current policy of the Canadian Government is to issue export permits only for those quantities of pork which exporters have purchased at the support price. The purpose of this is to prevent subsidized pork from entering the United States market.

Fishery Products 1/

U. S. civilian per capita consumption of fishery products in the next several months is expected to be about the same as a year earlier. Some increase is likely for the fresh and frozen products, offsetting a prospective reduction for the canned. Retail prices of fishery products as a group are expected to continue lower than in same part of last year because of a likely reduction for the fresh and frozen products.

Total commercial landings of fish and shellfish are now well on the seasonal uptrend, and should continue to expand into the summer. Supplies of canned fishery products will remain below those of a year earlier at least

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1/ Prepared in cooperation with the Bureau of Commercial Fisheries, U. S. Department of the Interior.

until late summer when marketings of the seasonally packed items -- such as salmon and sardines -- are at a high level. Canned tuna stocks currently are well below those of a year earlier, but this product is packed throughout the year. Cold-storage holdings of edible frozen fishery products were a little larger this April 1 than last. Such stocks usually are at the year's low-point in mid-spring, and then start building up seasonally.

Imports of edible fishery products are expected to continue at a high level. In 1959 they were equivalent to half of our total domestic production of food fish and shellfish.

Poultry and Eggs

Per capita consumption of turkey meat may be a little higher this year than in 1959, but use of chicken meat may be about unchanged and that of eggs will be sharply lower.

Retail prices for eggs were lower this January-March than last, but wholesale prices have been above last year for some weeks so as 1960 progresses retail prices are likely to reach and then exceed those of a year earlier because of the prospective decline in supplies compared with 1959. Prices of chickens, mostly broilers, will average higher this summer than last if production holds at about last year's level. Turkey prices are likely to remain higher than in 1959 at least until mid-summer, when they may decline seasonally as supplies from the large 1960 crop come to market.

The decline in per capita egg consumption from 347 in 1959 to 324 eggs this year will reflect the decline in production. The laying flock is 4 percent smaller than last year and includes a larger proportion of older birds. Through March 1960, egg production was 3 percent smaller than comparable 1959 output. The size of the laying flock is likely to decline further below 1959 as the year progresses since hatchings of replacement chicks in the first three months of 1960 were 37 percent below last year, and the number of eggs in incubators on April 1 was down 27 percent. Rates of lay per bird are likely to continue their year-to-year increase, but egg production in every remaining month of 1960 will be smaller than the year before. Furthermore, storage supplies of shell eggs probably will continue at record low levels.

Because of the low level of prices to farmers for eggs, in January 1960 the Department of Agriculture resumed the purchase of this commodity for subsequent welfare distribution. In recent weeks purchases have declined in view of the strengthened market for eggs. As of April 28, about 8.9 million pounds of dried eggs had been purchased under this program.

Broiler slaughter is likely to continue below last year into the summer, and continued price strength is likely. This contrasts to the contraseasonal decline that occurred last year. Hatchery output is likely to continue below last year, because declines in the number of broiler-breeder chickens started in the past 10 months have resulted in a marked reduction in the number of breeder hens to be available for early summer hatching-egg production.

Tighter credit than last year also is likely to contribute to a lower level of output than last summer. Any sustained increases in production, compared with 1959, will not occur until the last quarter of the year. The present outlook suggests that total 1960 broiler supplies may be a little larger than the 1,731 million birds of 1959.

Broilers provide about 80 percent of the chicken meat supply. Most of the rest come from farm flocks kept primarily for egg production. These include mature birds sold for slaughter after they have finished their egg-laying careers and young chickens, mostly cockerels, raised with pullets intended principally for laying flock replacement. Fewer mature hens will be slaughtered than last year since 4 percent fewer laying chickens were on hand at the beginning of the year and the reduction in pullets raised in 1960 will induce farmers to hold the maximum number of hens for egg production. Supplies of young farm chickens also will be down, in proportion to the cut in numbers of replacement chickens.

With the total supply in 1960 likely to be up from a year earlier by the same percentage as the population, civilian per capita consumption of chicken may equal the 28.8 pounds consumed last year. Prices will likely be above the 1959 average BLS retail price of 42.0 cents per pound for ready-to-cook frying chickens. The prospective increase is likely to be greatest during the summer months.

Turkey supplies for the first half of 1960 are about the same as the year before. Smaller initial cold-storage stocks will be almost fully offset by the increased number of poults hatched in last 1959 and early 1960. Wholesale prices increased in the last weeks of 1959 and are likely to continue above the year before through the first half of 1960. Thereafter, marketings will become seasonally large. Price changes will depend mainly upon the size of the crop. So far, 1960 hatchings of poults have been above last year for heavy breed turkeys but below for Beltsvilles. Because fewer breeder hens are available than last year, it is uncertain whether farmers will fullfil their January intentions to raise 6 percent more turkeys than last year. Such an increase would result in a crop of about 87 million birds, and the 1960 per capita consumption would be about 6.1 pounds per capita, up almost 2 percent from the 6.0 pounds of 1959.

Dairy Products

Supplies of milk products in 1960 are expected to be the largest in several years. Stocks at the beginning of 1960 were almost the same as a year earlier, and milk production is likely to be up some from last year. Civilian consumption of milk and its products (in terms of milk equivalent) may be a little larger this year than in 1959, though probably about the same on a per capita basis. Retail prices, now above the year-earlier level, may continue higher through the summer but probably by a smaller margin than in early 1960.

The increase in milk production in prospect for 1960 will be the first since 1957. Farmers are expected to cull dairy herds less heavily than in the past several years. Milk production per cow will likely be up again this year. In a number of areas last year, returns from dairying became more favorable in relation to those from beef than in other recent years, which was a factor in slowing the decline in the number of milk cows.

Civilian per capita consumption of milk and dairy products from commercial sources may be no larger than in 1959, even though consumer incomes may average higher. Consumption of fluid whole milk may be at least maintained. Use of skimmed milk items, particularly plain and fortified skimmed milk,probably will continue upward. The decline which has been underway for fluid cream items for several years has been partially stemmed by increased sales of "half and half" and sour cream items. A much larger variety of fluid milk products is available to consumers now than a decade ago.

Funds for the Special Milk Program have been increased for the next two school years, practically assuring increased distribution of fluid whole milk through this channel. The Special Milk Program for children, launched in 1954, now takes over 1 billion pounds of milk annually. Nearly as much is moved through the National School Lunch Program. In 1959, these two Programs combined accounted for 2.3 billion pounds of milk, which was equivalent to 13 pounds per capita for the entire population.

Use of frozen dairy desserts, primarily ice cream, is expected to increase this year, though probably less than in 1959. Per capita consumption is likely to reach an all-time high. The long-term advance in civilian per capita use of frozen desserts is closely associated with growth in consumer incomes and expanding use of these products in the home. The latter is related to the increased importance of food stores as outlets for prepackaged ice cream and other frozen desserts. In the past few years, use of these products at home has been stimulated by substantial retail price reductions, particularly on large-size containers.

Civilians are expected to use more cottage cheese and about as much of the other cheese per person this year as last. Consumption of cottage cheese (a skim milk product) has expanded considerably over the past decade. Part of this reflects greater popular emphasis on weight-reducing diets, and part on concentrated promotion efforts in a number of major markets.

Evaporated milk consumption may be at a postwar low this year, slightly below the 11.8 pounds per capita of 1959. However, consumption of butter and nonfat dry milk will likely be near the levels of last year. Commodity Credit Corporation supplies of butter and nonfat dry milk are likely to be sufficient to permit at least as much of each of these dairy products in total to be distributed to eligible domestic programs this year as in 1959. However, so far this calendar year practically no cheese has been purchased.

Fats and Oils

Consumption of food fats and oils per civilian, now on a seasonal decline, is expected to be about the same this spring and summer as last. Retail prices of most of these products in the next several months probably will average moderately lower than a year earlier. Butter prices may be about the same.

Supplies of food fats and oils during the remainder of the current marketing year, which ends next September 30, will be about as large as a year earlier. Butter production is expected to be noticeably higher this spring and summer than last because of the heavier output of milk in prospect. There will likely be some increase in the oilseed crush, but lard production in the months ahead will be well below that of a year ago because of reduced slaughter of hogs. Carryover stocks are expected to be about the same next October 1 as last. Stocks of soybeans are expected to be lower, but the reduction, in terms of oil equivalent, will be largely offset by the prospective increase in holdings of vegetable oils.

According to early season indicators, supplies of food fats and oils will be about as large in 1960-61 as in the present marketing year. Slight output increases are in prospect for butter and cottonseed oil, but lard production will likely be down some. There probably will be about as many soybeans in 1960-61 as in the two preceding marketing seasons.

Exports of food fats and oils (including the oil equivalent of soybeans) during October 1959-February 1960 totaled around 1.6 billion pounds. This was a third larger than a year earlier. The outmovement of vegetable oils (mainly cottonseed and soybean) and lard were up over 40 percent, and that of soybeans by more than 20 percent. For the full 1959-60 marketing year, exports of food fats and oils (including oilseeds) are expected to total around 3.7 billion pounds, compared with the record of 3.3 billion pounds in 1958-59. A sharp increase in dollar-financed exports of edible oils is expected to balance the decline in the quantity financed under P. L. 480.

For calendar year 1960, civilian per capita use of food fats and oils probably will average about the same as last year's rate of 46.1 pounds (fat content). Butter use may be no larger than in 1959, but a slight increase is expected for margarine. Consumption of lard as such and shortening will likely decline this year. Salad and cooking oil use per person may average no higher than last year.

Total edible use of shelled peanuts during the current marketing year are running at a record rate, a little higher than in 1958-59. However, because of the larger civilian population, per capita consumption of shelled peanuts probably will average about 4.5 pounds per person, about the same as in 1958-59 and close to the postwar average. Use in the form of peanut butter will likely increase slightly as will use of peanuts in confectionery, crackers and other food products.

Fruit

More of the processed but less of the fresh fruits are available this spring than last. Total supplies are adequate to maintain civilian per capita consumption of these products at the 1959 rate of around 200 pounds (fresh equivalent basis). Retail prices of most processed fruits are expected to continue lower than a year earlier in the next few months, but those of fresh fruits probably will remain higher until supplies from the 1960 deciduous crops start moving to market in volume in late spring or early summer.

Supplies of fresh deciduous fruits this spring consist mostly of storage stocks of 1959-crop apples and pears, 1960-crop fresh strawberries, and imports of bananas. Stocks of apples and pears were much smaller this April 1 than last, reflecting a reduced crop of apples last year in the Pacific Coast States as well as good movement of both fruits into consumption and export markets thus far this season. Strawberries may be no more plentiful this spring than last. The acreage for harvest is indicated to be a little smaller this season. The demand for strawberries for processing may be a little stronger because of reduced cold-storage holdings of the frozen product. Banana imports probably will continue at a high level.

Supplies from the 1960 crops of deciduous fruits will start moving to market after mid-spring. Although fruit trees and vines have come through the winter in generally good condition, prolonged cold, wet weather has delayed bud development and bloom in many States. As a result, some early-season fruits such as peaches from the southern States may be ready for picking and marketing for fresh use a little later than in 1959. As of April 1 reported conditions in the 9 important producing States in the South pointed to good crops of peaches there in 1960.

Moderately more fresh oranges are expected to be available this spring than last because of the larger crop of Valencias in Florida. The substantial output reduction in prospect for California Valencias points to smaller supplies of fresh oranges this summer and early fall than last. Remaining supplies of grapefruit are considerably smaller than a year ago because of the reduced crop in Florida, the leading producing State. Large supplies of lemons are available for this spring and summer, though less than last year. The crop in California is about as large as in 1958-59, but utilization has been more rapid because of early maturing of the crop.

Most commercially processed citrus juices are in much larger supply and moderately lower priced to consumers than a year ago. Production of canned single-strength juices has been much higher thus far this season than last. Packers' movement of these products into consumption channels has been up too, but by a smaller margin than production. Although moderately less frozen concentrated orange juice than a year earlier was produced as of mid-April and shipments by packers have been up substantially, current stocks are still moderately larger than a year ago. This is due to the much heavier carryover of old-pack juice last fall than in fall 1958. Production of frozen orange juice concentrate in Florida will continue at a high rate into early June and then decline as the end of the season nears, around midyear. Frozen concentrated

grapefruit juice is in much smaller supply than a year ago because of sharply reduced output in Florida this season.

Total supplies of canned fruits are expected to continue much larger through the end of this marketing season than last. Packers' stocks of 10 important canned deciduous fruits were more than a fifth greater this April 1 than last, though 3 percent smaller than the heavy holdings on the same date in 1957. Increases over a year earlier in holdings of apples, applesauce, apricots, RSP cherries, fruit coctail, peaches, pears, and purple plums more than offset declines for sweet cherries and figs. Stocks represent supplies of these canned fruits available until the 1960 packs start moving to market in late spring or summer. Packers in Florida held 33 percent more canned citrus sections and salad as of mid-April this year than last. Stocks of grapefruit sections were down 11 percent because of the moderately reduced pack in Florida this season.

Frozen deciduous fruits and berries will continue in moderately lower supply this season than last until the 1960 packs become available for distribution. Cold-storage stocks were 10 percent smaller this April 1 than a year earlier, with reductions in most items. Heavy-volume production of frozen strawberries usually gets underway by May, but that of most other deciduous fruits and berries usually does not until early summer.

Most dried fruits will continue in heavier supply than a year earlier during the present marketing season, which ends in August. Production of most items was much heavier in 1959 than in 1958, when output of raisins was moderately below average, and the packs of prunes and several other dried fruits were very small.

Vegetables

Supplies of fresh and processed vegetables are expected to be moderately smaller this spring than last. Retail prices of fresh vegetables may average no higher than last spring, but those of the processed items are likely to be up a little. Because of smaller stocks from the fall crop, potatoes are less plentiful than a year earlier and higher in price.

Total supplies of vegetables for fresh market sale are expected to be down moderately from last spring. Estimated production of items (melons excluded) which make up about three-fourths of the total spring vegetable tonnage is 5 percent below a year ago and 2 percent below the 1949-58 average. Much of the reduction may be concentrated in the early part of the season. Planting and development of spring crops in some important producing areas were delayed by adverse weather. This may cause a noticeable "bunching" of harvests from different areas in late spring.

Among the important vegetables for which estimates are available, materially larger crops are expected this spring than last for celery, green peppers, and early season snap beans and onions. Smaller increases are indicated for spinach, and early season cauliflower. Offsetting are material reductions in the early spring crops of broccoli, lettuce and tomatoes, and slight declines for early season cabbage and asparagus.

Production estimates are not yet available for spring melons. If yields are near the average of recent years, production of watermelons on the indicated acreage would be moderately larger than last spring, and output of cantaloups materially lower. According to April 1 indications, the acreage of watermelons for late spring harvest is about the same this year as last, but spring canteloup acreage is down 10 percent from last year.

Somewhat less processed vegetables than a year earlier are available for the remainder of the present marketing season, which ends about mid-year for most items. However, they are adequate to maintain civilian consumption of these products at the rates of last spring and early summer. Stocks of canned products are materially lower than the heavy inventories of a year earlier, but greater than the 1949-58 average for most items. Holdings of frozen vegetables were around 5 percent lower this April 1 than last, but about 8 percent above the 1955-59 average for that date.

Intentions reports as of early spring indicate that processors plan to plant or contract for a slightly larger acreage this year than last of vegetables for processing. The total prospective acreage of 9 major processing vegetables, which usually account for about 95 percent of the tonnage of processing crops regularly reported by the Department, is up 2 percent from a year ago. Yields near the average of recent years on the intended acreage would result in a pack of canned vegetables totalling close to that of last year, and some increase for the frozen products.

Total supplies of potatoes are expected to be moderately smaller this spring than last. March 1 stocks of fall-crop potatoes amounted to 56 million hundredweight -- about a tenth less than on the same day in 1959. The early spring crop, estimated at 3.4 million hundredweight, is about 9 percent larger than a year earlier. Acreage for harvest in late spring is indicated to be 11 percent larger than a year earlier. There may be some "bunching" in the harvest of late spring potatoes in the Southeast because cold weather delayed development of the crop there. Retail prices of potatoes probably will decline by early June because of heavier supplies.

Intentions reports as of March 1 indicate that growers plan to plant slightly more acreage to early summer potatoes than last year, and also slightly more for late summer and fall harvests, combined.

Sweetpotatoes have been in somewhat larger supply this season than last, and priced lower. This situation, though improving, is expected to continue during the few weeks remaining in the present marketing year. From early

March to April 30, the Department of Agriculture purchased about 36,700 hundredweight of sweetpotatoes for distribution to nonprofit school lunch programs and other eligible outlets. The purchase program, which ended April 30, was aimed at assisting growers in marketing their supply.

Farmers intend to plant about 16 percent fewer acres to sweetpotatoes this year than last, according to reports as of March 1. Should the intended acreage materialize, near-average yields by States would result in substantially smaller supplies of sweetpotatoes in 1960-61 than in 1959-60.

Cereal Food Products

In the months ahead, civilian per capita consumption of cereal food products is expected to be a little smaller than a year earlier. Retail prices of these products will average a little higher than last spring and summer because of advances in marketing charges.

According to present prospects, wheat supplies will set another record in 1960. Stocks from preceding crops are at an all-time high, and this year's crop may be our fifth largest. The 1960 winter wheat crop may total 977 million bushels, according to indications on April 1. If growers carry out their planting intentions for spring wheat and yields per seeded acre equal the 1955-59 average, a total spring wheat crop of about 230 million bushels would be produced. With total domestic use in 1960-61 estimated at 625 million bushels and if exports are at the estimated 1959-60 level, the wheat carryover July 1, 1961 may be about 120 million bushels greater than the record level estimated for July 1, 1960.

Civilians may consume 1 pound less wheat in food products in 1960 than the 166 pounds per capita used in 1959. The long-time downward trend in per capita food use of wheat appears to be slowing down. Because of the increase in population, the total annual amount of wheat used as food in this country has increased in recent years.

Civilian consumption of rice in the 1959-60 marketing year may average about 5.2 pounds per person, a little more than in 1958-59 but below the 10-year average of 5.5 pounds.

Moderately less rice may be available in 1960-61 than a year earlier, but supplies will be more than enough to meet anticipated total domestic needs and exports. Carryover stocks next August 1 will likely be the lowest since 1954, though still large relative to earlier years. If growers carry out their early-season intentions to plant about as large an acreage this year as last and yields on this acreage equal the 1957-59 average, production would be somewhat lower than in 1959.

Early spring prospects are that the corn supply will be record large in 1960-61, while that of oats will be down materially and barley down moderately from 1959-60. The expected larger corn supply in 1960-61 compared with 1959-60 may be due almost entirely to much larger carryover stocks.

Production this year could be a little below last year's record level if growers maintain acreage near the 1959 level -- as they indicated they would -- and growing conditions are normal. The reduced supply of oats expected for 1960-61 would reflect lower production and carryover. Information collected early in 1960 showed that farmers intend to plant a 5 percent smaller total acreage to oats this year than last, which would be the smallest in over 50 years. The barley acreage also is expected to be smaller than in 1959.

Based on shipments of products from wet-processing plants, the consumption of cornstarch and corn sirup in early 1960 was a little higher than in the same part of 1959, while corn sugar consumption was about the same. Revised data on annual domestic consumption of these products for food use reveal a slight decline in per capita consumption of cornstarch, but increasing consumption of corn sirup and sugar during the past 3 or 4 years. The per capita consumption of cornmeal has trended downward in recent years. Much of this decrease has been in locally processed meal for farm household use. Commercial processing increased substantially in recent years, but all of the increase has gone into heavier exports. Consumption of corn flakes and other corn breakfast foods, on the other hand, increased in recent years both in total and per capita. In 1958 a total of 311 million pounds of these breakfast foods were shipped from processors' plants, 36 million pounds more than in 1954. Per capita consumption increased from 1.7 pounds in 1954 to 1.8 in 1958 and 1959.

The consumption of oatmeal and other oat food products increased in recent years both in total and per capita. According to data from the Census of Manufactures, total shipments of rolled oats and oatmeal from processing plants in 1958 amounted to 482 million pounds, 33 million more than in 1954. Allowing for reduced exports, a total of 455 million pounds were available for domestic consumption in 1958, an increase of 11 percent over 1954. The estimated per capita consumption of all oat food products, including an allowance for ready-to-eat cereals, increased from 3.2 pounds in 1954 to 3.5 in the calendar years 1958 and 1959.

Sugar

Deliveries by primary distributors of sugar for consumption on the United States mainland was almost 5 percent greater during the first quarter of 1960 than a year earlier. Retail prices were up too, averaging about a tenth of a cent per pound more than in January-March 1959. During March reductions were announced in the wholesale price of refined sugar in the Northeast on large quantity purchases which industrial users generally make. Prices for sugar in household and institutional consumer-size packages are unchanged. Domestic raw sugar prices have trended upward since January.

Farmers intend to plant more acres to sugar beets in 1960, in line with the increase in beet acreage allotments. No allotments are in effect for any of the domestic sugarcane areas. Thus, domestic sugar production should be higher in 1960 than in 1959. The Cuban sugar production quota for 1959-60 is 6.5 million short tons (raw value), compared with 6.6 million in

1958-59. However, production thus far this season is substantially ahead of output in the same period of 1958-59 when harvesting got off to a slow start following the revolution in that country.

FARMERS' PLANTING INTENTIONS

The report: Prospective Plantings for 1960 issued in March by the Agricultural Marketing Service indicated that the acreage planted to major field crops for harvest this year may be slightly smaller than in 1959. (Table 4.) This does not point to any change in the prospect that food supplies will continue plentiful.

Total acreage in prospect for feed gains is almost the same as last year. Practically no change is planned for both corn and sorghums, but plantings for barley and oats are expected to be down 4 and 5 percent, respectively. Corn, barley and sorghum acreages are above their 1949-58 averages, but oats may be the lowest in over a half a century. Among the other major field crops, acreage in food grains is expected to be down slightly, that planted to soybeans may be 6 percent higher than last year, but acreage to be cut for hay may be about the same as a year ago.

Farmers reported intentions to plant a slightly larger acreage to potatoes for summer and fall harvest this year than last, and moderately more for sugar beets. The fall potato crop is the source of storage supplies which are marketed through the following winter and early spring. Minor changes were indicated for rice, dry edible beans, dry field peas, tobacco and flaxseed. A 5 percent smaller acreage than in 1959 is in prospect for spring wheat. The sharp increase expected for Durum wheat may be much more than offset by the reduction for the other spring wheat. A substantial cutback in the sweetpotato acreage is expected, as is a much more moderate one for peanuts.

The purpose of Prospective Plantings for 1960 is to assist growers in making such changes in their acreage plans as may appear desirable. The acreages actually planted in 1960 may turn out to be larger or smaller than indicated by reason of weather conditions, price changes, labor supply, financial conditions, the agricultural program, and the effect of this report itself on farmers' actions. Table 5 compares the prospective and actual acreages planted in major crops in the past 3 years.

Table 4.--Planted acreage of major crops, 1935-39 and 1947-49 averages, 1959, and prospective plantings for 1960, with percentage comparisons

Crop	Planted acreage			Prospective plantings 1960 1/	Prospective 1960 as a percentage of		
	1935-39	1947-49	1959		1935-39	1947-49	1959
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	Percent	Percent	Percent
Total 2/	323,739	333,852	320,649	318,477	98	95	99
Corn, all	97,044	85,766	85,530	85,758	88	100	100
Wheat, all	73,236	80,188	58,043	57,206	78	71	99
Winter	51,577	59,252	44,612	44,389	86	75	100
Spring, all	21,659	20,936	13,431	12,817	59	61	95
Oats	40,591	43,009	36,141	34,273	84	80	95
Barley	13,365	12,059	16,990	16,386	123	136	96
Flaxseed	1,938	4,911	3,482	3,469	179	71	100
Rice	1,007	1,810	1,607	1,611	160	89	100
All sorghums	15,254	11,852	19,886	19,800	130	167	100
Potatoes	3,123	1,939	1,416	1,438	46	74	102
Sweetpotatoes	804	501	286	242	30	48	84
Beans, dry edible	1,917	1,929	1,557	1,536	80	80	99
Soybeans, for beans 3/	3,042	10,858	22,428	4/23,847	784	220	106
Soybeans, grown alone 5/	7,262	12,304	23,178	24,667	340	200	106
Hay, all 3/	67,940	73,101	69,404	69,088	102	95	100
Tobacco 3/	1,647	1,676	1,154	1,156	70	69	100
Peas, dry field	281	414	318	316	112	76	99
Peanuts, picked and threshed 3/	1,659	2,994	1,461	6/1,370	83	46	94
Peanuts, grown alone 5/	2,173	3,560	1,653	1,613	74	45	98
Sugar beets	891	845	946	981	110	116	104

1/ From March 1960 Prospective Plantings Report and December 18, 1959 Winter Wheat and Rye Report.

2/ Includes "Soybeans, for beans" and "Peanuts, picked and threshed."

3/ Harvested acreage.

4/ 1960 indicated solid equivalent acreage adjusted for the percentage harvested for beans by using the 1959 percentages, by States.

5/ For all purposes.

6/ Assuming the 1955-59 average relationship of acreages planted alone to acreages for picking and threshing, by States.

Table 5.--Prospective and actual acreages planted in major crops, 1957-59, with percentage comparisons 1/

Crop	1957			1958			1959		
	Prospective	Actual	Actual as percentage of prospective	Prospective	Actual	Actual as percentage of prospective	Prospective	Actual	Actual as percentage of prospective
	1,000 acres	1,000 acres	Percent	1,000 acres	1,000 acres	Percent	1,000 acres	1,000 acres	Percent
Total	283,398	282,027	100	276,840	273,672	99	277,248	276,979	100
Corn, all	74,410	73,947	99	75,143	74,654	99	83,921	85,530	102
Spring wheat	12,784	12,429	97	12,588	12,343	98	13,405	13,431	100
Oats	43,514	42,577	98	39,658	38,430	97	35,998	36,141	100
Barley	16,008	16,535	103	16,034	16,268	101	17,093	16,990	99
Flaxseed	5,839	5,599	96	4,607	4,014	87	3,678	3,482	95
Rice	1,440	1,370	95	1,456	1,444	99	1,603	1,607	100
All sorghums	26,490	26,959	102	23,519	21,176	90	20,440	19,886	97
Potatoes	1,421	1,427	100	1,424	1,498	105	1,392	1,416	102
Sweetpotatoes	282	289	102	294	272	93	275	286	104
Tobacco 2/	1,132	1,122	99	1,096	1,081	99	1,161	1,154	99
Beans, dry edible	1,466	1,451	99	1,544	1,644	106	1,656	1,557	94
Peas, dry field	355	292	82	249	227	91	311	318	102
Soybeans 3/	22,745	21,912	96	23,985	24,900	104	23,172	23,178	100
Peanuts 3/	1,834	1,769	96	1,795	1,755	98	1,702	1,653	97
All hay 2/	72,766	73,431	101	72,533	73,033	101	70,499	69,404	98
Sugar beets	912	918	101	915	933	102	942	946	100

1/ Based on the prospective planted acreages indicated by farmers' reported March 1 intentions.
2/ Acreage harvested.
3/ Grown alone for all purposes. Data are partly duplicated in hay acreage.

POSTWAR TRENDS IN CONSUMPTION OF DAIRY PRODUCTS - and Some Reasons for Them 1/

Civilian consumption of the many food products made from milk has displayed widely differing trends in the postwar period. In general, these trends reflect underlying changes in both supply and demand conditions.

A study of consumption trends for dairy products is a study of contrasts. Consumption per person of these products in terms of milkfat in the postwar period has been trending downward, while use in terms of solids-not-fat, after declining somewhat in the early postwar years, has moved upward in the past several years and now is close to the high levels attained during World War II. (Tables 6 and 7.)

Highlights of this Article

Trends in Per Capita Consumption Since World War II

- Increase in the variety of frozen desserts, as well as in quantity used.
- Consumption of more cheese now, including natural cheeses and cottage cheese.
- More low- and no-fat fluid dairy products used.
- Use of fat in form of butter and in most fluid dairy products declined.
- Evaporated milk use dropped one-third.
- Milkfat use now record low; solids-not-fat use very high.

Some of the Why's

- Larger real incomes - effect particularly noticeable for frozen products.
- "Weight control" ideas - less fat via several products, but growing emphasis on solids-not-fat.
- Special milk programs - more fluid milk use among school children.
- Changes in infant feeding practices - less evaporated milk used.
- Margarine - improved product, relatively low price, along with de-emphasis on total fat - explains butter drop.

1/ By Herbert C. Kriesel, Statistical and Historical Research Branch, AMS.

Table 6.--Milkfat: Civilian per capita consumption, by dairy product source, United States, 1945-59

Item	1945	1946	1947	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959 1/
	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.
Butter	8.6	8.1	8.8	7.8	8.2	8.4	7.4	6.6	6.6	6.9	7.0	6.8	6.5	6.5	6.2
American cheese	1.5	1.5	1.7	1.7	1.7	1.8	1.6	1.7	1.6	1.8	1.7	1.7	1.7	1.8	1.7
Other cheese	.6	.7	.5	.6	.6	.7	.7	.7	.7	.8	.8	.8	.8	.8	.9
Condensed milk	.1	2/	.1	2/	.1	.1	.1	.1	.1	.1	.1	.1	.1	.1	.1
Evaporated milk	1.3	1.4	1.4	1.5	1.4	1.4	1.3	1.2	1.2	1.2	1.1	1.1	1.0	1.0	.9
Ice cream	1.9	2.8	2.4	2.2	2.1	2.1	2.1	2.1	2.2	2.1	2.2	2.2	2.2	2.1	2.2
Dry whole milk	.1	.1	.1	.1	.1	.1	.1	.1	.1	.1	.1	.1	.1	.1	.1
Fluid milk and cream	15.9	15.4	14.6	14.1	13.9	13.8	13.8	13.7	13.4	13.4	13.6	13.6	13.3	13.0	12.9
Other 3/	1.6	1.4	1.1	.9	1.0	1.0	1.1	1.1	.9	.7	.6	.6	.6	.7	.6
Total	31.6	31.4	30.7	28.9	29.1	29.4	28.2	27.3	26.8	27.1	27.2	27.0	26.3	26.1	25.6

1/ Preliminary.

2/ Less than 0.05 pounds.

3/ Includes malted milk, milk sherbet, ice milk, other frozen dairy products, and dry ice cream mix.

Table 7.--Solids-not-fat: Civilian per capita consumption, by dairy product source, United States, 1945-59

Item	1945	1946	1947	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959 1/
	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.
Fluid milk	30.17	29.06	27.57	26.51	26.61	26.39	26.93	27.24	27.09	27.09	27.47	27.67	27.38	26.84	26.71
Fluid cream	.76	.80	.75	.73	.68	.67	.63	.59	.56	.56	.56	.56	.55	.54	.53
Butter	.11	.10	.11	.10	.10	.10	.09	.08	.08	.09	.09	.08	.08	.08	.08
American cheese	1.48	1.39	1.60	1.60	1.63	1.69	1.57	1.63	1.57	1.69	1.66	1.66	1.57	1.66	1.60
Other, whole and part whole milk cheese	.55	.63	.49	.49	.57	.63	.60	.66	.69	.69	.72	.75	.75	.77	.80
Evaporated milk	3.00	3.15	3.35	3.39	3.28	3.33	3.00	2.89	2.83	2.72	2.62	2.52	2.41	2.26	2.17
Condensed milk	.23	.11	.20	.08	.15	.17	.14	.16	.17	.18	.18	.23	.23	.24	.24
Frozen desserts:															
Ice cream and ice cream mix	1.44	2.32	2.02	1.86	1.77	1.75	1.75	1.79	1.80	1.74	1.80	1.80	1.80	1.78	1.87
Ice milk	.06	.07	.07	.11	.17	.21	.27	.32	.32	.39	.43	.48	.50	.52	.55
Mellorine	---	---	---	---	---	---	---	.04	.07	.09	.10	.10	.10	.11	.12
Sherbet	.08	.02	.01	.01	.02	.02	.02	.03	.03	.04	.04	.04	.04	.04	.04
Other	.02	.02	.02	.02	.02	.02	.03	.02	.02	.02	.01	.01	.01	.01	.01
Malted milk	.12	.12	.08	.04	.04	.08	.08	.08	.08	.07	.07	.07	.07	.07	.07
Dried whole milk	.28	.36	.36	.21	.21	.21	.21	.33	.19	.14	.20	.23	.18	.23	.23
Nonfat dry milk	1.44	2.49	2.20	2.59	2.49	2.78	3.07	3.45	3.16	3.45	4.12	3.93	3.93	4.12	4.50
Cottage cheese	.64	.61	.55	.61	.68	.74	.83	.85	.89	.93	.98	1.10	1.10	1.10	1.08
Other 2/	8.35	8.63	7.99	7.21	7.23	7.12	6.70	6.84	6.90	6.94	6.86	6.92	6.97	6.93	6.93
Total	48.73	49.88	47.37	45.56	45.65	45.91	45.92	47.00	46.45	46.83	47.91	48.15	47.67	47.30	47.53

1/ Preliminary.
2/ Includes skim milk products such as dried buttermilk and condensed and evaporated buttermilk.

Consumption Influenced by Many Factors

Products made from milk extend over a wide range. A milk product may be used as an alternative to meat or other main courses of a meal, as a spread (butter or cheese), as a beverage, or as a dessert. Because of the multiplicity of uses, consumption of several dairy products may be influenced by changes in the economy or the society at large, in the institutional framework, by technological progress, or by changes in people's beliefs concerning effects of certain constituents of milk. This article discusses some of the more important of these general tendencies and then points out some of the consumption trends for individual items. Data on annual consumption of important dairy products (in terms of product weight) are shown in table 8.

Some General Influences

The major general influences affecting total demand for dairy products are: (1) Growth of the total population, and changes in its composition by age group and possibly by occupation; (2) changes in level and distribution of income among people; (3) fundamental changes in people's preferences for dairy products; and (4) changes in supply and prices of competing products, compared with dairy products.

Population growth of the United States has increased total demand for dairy products during the postwar period, despite an apparent shrinking in per capita demand for a number of items containing milkfat. Since the gain in population affects aggregate consumption and demand for all items to an equal degree, the main emphasis in this analysis will be in terms of consumption per person.

Many people believe that the change in the composition of the population has influenced the demand and consumption levels for dairy products. Particularly, it is asserted that the increase in proportion of young people in the population should tend to augment the total demand for dairy products. The influence of this factor for the postwar period cannot be conclusively determined for the United States as a whole. The few local surveys available appear to confirm an association between age and consumption of fluid milk. In addition, there has been growing knowledge as to nutritional requirements among the population. This, together with improvements in individual incomes, undoubtedly has tended to increase consumption of many dairy products. A tempering influence has been the growth in the proportion of people in the older age groups.

In the postwar period a number of new beliefs concerning the effect of different foods on the human body have come into vogue. Some of these probably have had an impact on average per capita consumption of dairy products.

Table 8.--Civilian per capita consumption of selected dairy products, United States, 1945-59

Commodity	1945	1946	1947	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959 1/
	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.
Fluid milk and cream: 2/															
Fresh whole milk	335	323	306	295	296	293	299	303	300	301	305	307	304	298	297
Cream 3/	10.2	10.6	10.0	9.7	9.0	8.9	8.4	7.9	7.5	7.5	7.5	7.5	7.4	7.2	7.0
Condensed whole milk	2.0	1.5	2.2	1.8	2.0	2.0	2.0	1.9	2.0	2.0	2.0	2.2	2.3	2.5	2.6
Evaporated whole milk	16.3	17.1	18.2	18.4	17.8	18.1	16.3	15.7	15.4	14.8	14.2	13.7	13.1	12.3	11.8
Butter	10.9	10.5	11.2	10.0	10.5	10.7	9.6	8.6	8.5	8.9	9.0	8.8	8.4	8.4	8.0
Cheese: 4/															
American	4.8	4.5	5.2	5.2	5.3	5.5	5.1	5.3	5.1	5.5	5.4	5.4	5.1	5.4	5.2
Other	1.9	2.2	1.7	1.7	2.0	2.2	2.1	2.3	2.4	2.4	2.5	2.6	2.6	2.7	2.8
Cottage cheese 5/	3.0	2.9	2.6	2.9	3.2	3.6	3.9	4.0	4.2	4.4	4.6	5.2	5.2	5.1	5.2
Dry whole milk	.37	.51	.46	.29	.25	.28	.27	.47	.27	.20	.28	.33	.26	.32	.32
Nonfat dry milk	1.9	3.3	2.9	3.3	3.3	3.7	4.2	4.6	4.1	4.5	5.5	5.2	5.3	5.6	6.2
Dry whey	.2	.2	.2	.1	.2	.2	.1	.2	.2	.2	.2	.2	.2	.2	.2
Evaporated and condensed skim milk 6/	7.7	9.6	6.8	5.3	5.3	5.1	4.8	4.7	4.8	4.9	4.7	4.5	4.6	4.3	4.3
Malted milk	.3	.3	.2	.1	.1	.2	.2	.2	.2	.2	.2	.2	.2	.2	.2
Dry buttermilk	.2	.1	.2	.2	.2	.2	.1	.2	.2	.2	.2	.3	.3	.4	.4
Frozen desserts:															
Ice cream	15.7	23.1	20.1	18.5	17.6	17.2	17.4	17.9	18.0	17.4	18.0	18.0	18.0	17.8	18.7
Sherbet	3.3	.6	.5	.5	.6	.7	.9	1.1	1.3	1.4	1.5	1.4	1.4	1.4	1.5
Ice milk	.4	.5	.5	.8	1.2	1.4	1.7	1.9	2.3	2.8	3.1	3.4	3.6	3.7	3.9
Mellorine	---	---	---	---	---	---	---	.4	.7	1.0	1.0	1.0	1.0	1.1	1.2
Other frozen dairy products 7/	.3	.2	.2	.2	.3	.3	.3	.3	.3	.2	.1	.1	.1	.1	.1

1/ Preliminary. 2/ Proportion of cream varied on the basis of information obtained for markets having Federal milk marketing orders. 3/ On basis of 25 percent fat content. 4/ Whole and part whole milk cheese (excluding cottage, pot, and baker's). 5/ Includes cottage, pot, and baker's cheese. 6/ Includes evaporated and condensed buttermilk. 7/ Prior to 1949 reported as "frozen custards and frosted or frozen malted milk."

There has been a considerable increase in per capita real income in the United States since World War II. However, of even more significance than this in terms of the impact on per capita consumption of dairy products has been the decided shift in the number of people to the higher income levels and a noticeable decline in the proportion of people in the so-called lower brackets. Studies of purchases of foods by families indicate that the consumption of dairy products generally increases as the family income is increased. Evaporated milk use is an outstanding exception. It is safe to say, therefore, that in the postwar period demand for dairy products as a group has been maintained at a higher level than would have prevailed if there had not been an increase in the proportion of the population in the higher income brackets. It is significant, however, that despite the shifts in income levels and patterns, the actual per capita consumption of milk products on a milkfat basis has declined. Adding further to the significance of this decline is the fact that retail prices for dairy products as a group have risen less than food products in general since 1949.

The rise in average per capita income has affected the demand for milk solids-not-fat in two ways. First, consumption of some dairy products, especially the frozen desserts, has increased. Secondly, the rise in income through its influence on educational levels and beliefs about diets and weight control has tended indirectly to enhance the demand for milk solids-not-fat.

Many Institutional and Technological Changes Influence Consumption

A multitude of changes, institutional or technological in nature, have resulted in fundamental changes in people's preferences for dairy products, and in supply and prices of dairy and some competing products.

With increased specialization in agricultural production, the number of farms keeping milk cows has dropped. Consumption of fluid milk and some dairy products per person has declined for these families. The ones living on farms where production of milk is discontinued may subsequently move to urban areas or continue living in the rural area. If they move to urban areas, they will be confronted with substantially higher costs for fluid milk, cream and butter than they were accustomed to when they produced these commodities for their own use. Those continuing to live in rural areas find that milk is not as readily available and is higher priced than when it was produced on their farm. Undoubtedly many people discontinued keeping their own cows when they shifted to nonfarm employment. But more than likely they tended to adopt more nearly the consumption scale of urban people than maintain the previous level enjoyed when they produced their own milk. These developments undoubtedly have been large enough to exert a downward tendency on the national average per capita consumption levels for fluid milk and cream and butter.

Technological advancements in agriculture have tended to increase commercial market supplies of dairy products in two ways. First, improved efficiencies in production of feed grains and roughages, along with better and more widespread knowledge of animal husbandry and other improvements in the dairy enterprise itself, have made it possible for farmers to produce a generally increasing quantity of milk at the same relative prices. Secondly, the technological developments in marketing and processing dairy products have induced farmers to market as whole milk a larger proportion of their milk production. This has increased commercial supplies of milkfat and milk solids-not-fat, particularly the latter. The main elements in the technological change which stimulated the growth of this practice include: Better refrigeration facilities for whole milk on farms, an extensive and improved highway system, and facilities for efficiently transporting, receiving, and processing milk in milk plants. The increased cash return which could be realized by selling whole milk was an important factor in inducing farmers to take advantage of technological advances.

Over time, improved farming technology also has resulted in larger supplies and lower prices of edible vegetable oils, particularly soybean, which are used in making margarine. Significant technical advances in the production and marketing of margarine also have been made since the war. With lower costs of ingredients and a comparatively high degree of competition among margarine producing and marketing firms, retail prices for margarine have been much lower relative to butter in recent years than was customary prior to World War II.

Institutional developments affecting marketing and consumption of margarine have been significant since the close of World War II. Prior to 1947, twenty two States had restrictions on the sale of yellow margarine. Between 1947 and 1951 all but 2 States (Minnesota and Wisconsin) terminated the restrictions. Effective July 1, 1950, Federal excise taxes on the sale of margarine were repealed. The main effect of this was to further increase price differences between colored margarine and butter.

Under prevailing Federal laws and regulations, margarine manufacturers have somewhat wider latitude than butter producers for tailoring their product to the wants and desires of consumers. Thus, margarine can be processed so that at the usual refrigerated temperature as butter, it will spread easier. At the same time, margarine will remain solid at room temperatures at which butter starts becoming a liquid.

Margarine has been the major case of substitution of vegetable oils for milkfat. In the postwar period, however, substitution of vegetable oils for milkfat in a number of other uses has been introduced. The frozen product, mellorine, for example, was first introduced in Texas in the early 1940's. Since that time, it has been introduced in an increasing number of States, and at the beginning of 1960 production and marketing of this product was legal in 12 States. These 12 States, as of July 1, 1959 had a population of 54 million out of the U. S. total of 177 million. The largest

growth in use of this product occurred by 1955 and it has increased at a slower rate since that time. It now takes over 6 percent as much solids-not-fat as does ice cream, based on the U. S. totals. Because of the wide differential in price between milkfat and vegetable oil, the processors of foods have available a potential opportunity for lowering costs of food products by substituting vegetable oils for milkfat where feasible. Unquestionably, there would be a far greater amount of such substitution if permitted by State and Federal laws and regulations.

For decades, the importance of milk in diets of young people has been stressed, particularly by schools and other institutions. Since the close of World War II, questions have been raised by some people as to the need by adults for the fat component of milk. Aside from the controversy about the effect of this type of fat on the human body, there is a widespread general belief that excess weight endangers longevity. One result of this very likely is a lower intake of milkfat, as well as smaller consumption of some other kinds of fats. In many diets designed to achieve weight control, increased use of milk solids-not-fat is emphasized. Milk is especially valuable for the wide variety of high-quality proteins which it provides. The milk solids-not-fat contain all of such proteins, as well as practically all the calcium and riboflavin.

In the postwar period the Federal Government has developed two programs on a continuing basis which affect the consumption of dairy products. The first one in terms of direct influence on consumption, but second in terms of its adoption, is the Special Milk Program for children. This program, authorized by legislation first passed in 1954, was designed to stimulate consumption of fluid whole milk by school children. The stimulation was provided by the Federal Government paying a substantial part of the average cost of milk consumed in the schools. Milk distributed under the Special Milk Program increased to nearly $1\frac{1}{4}$ billion pounds by 1959, which is about 2 percent of the total national consumption of fluid whole milk and cream in that year. This is in addition to the quantity of milk consumed under the regular National School Lunch Program, 2/ which accounted for about the same amount of fluid milk in 1959. In addition, substantial quantities of butter, cheese and nonfat dry milk were distributed to schools under the School Lunch Program. It is presumed that these Programs have both immediate and long-term effects of stimulating consumption by children and young adults.

The program for supporting prices to farmers for milk and butterfat, as required by law, has both direct and indirect effects on consumption of dairy products. At the outset of the present-type program (in 1949) and for a short period thereafter, the effect was to raise prices, at retail as well as to producers, over that which otherwise would have prevailed. However, higher prices to producers tended to encourage both production and farm marketings of milk. Marketings of the solids-not-fat portion, particularly,

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2/ This Program was authorized by the School Lunch Act of 1946. Prior to that time, distribution to schools was conducted under other authority.

Table 9.--Civilian per capita consumption of milk products, commercial and noncommercial sources, United States 1945-59 1/

(Milk equivalent, fat solids basis)

Year	From noncommercial sources			From commercial sources	Total civilian consumption 2/
	Farm consumption	CCC supplies of butter and cheese to civilian channels	Milk programs (regular school lunch and special milk)		
	Pounds	Pounds	Pounds	Pounds	Pounds
1945	132	---	1	654	788
1946	123	---	2	661	786
1947	114	3/	3	651	769
1948	106	1	3	613	724
1949	100	2	4	629	734
1950	95	8	4	634	741
1951	92	1	5	618	715
1952	86	1	5	619	700
1953	79	9	5	599	691
1954	73	16	6	605	700
1955	68	19	9	611	707
1956	64	21	11	611	706
1957	59	14	12	607	691
1958	55	24	13	597	688
1959 4/	50	17	13	599	678

1/ Aggregate in each category divided by total civilian population.
2/ Computed from unrounded data.
3/ Less than 0.5 pounds.
4/ Preliminary.

was stimulated, since nonfat dry milk is one of the items (in addition to butter and American cheese) which the Department of Agriculture purchased to support prices to farmers for milk and butterfat.

Distribution of butter, American cheese and nonfat dry milk purchased under the Price Support Program to domestic recipients such as school children, welfare cases and certain institutions has increased consumption of dairy products. On a per capita basis, the milk equivalent of butter and cheese distributed in 1959 was 17 pounds (table 9). Also in terms of national average, the milk programs (regular School Lunch and Special Milk Programs

combined) provided civilians with the equivalent of 13 pounds per capita. (Tables 9 and 10.) Use of all dairy products, excluding both the milk equivalent of butter and cheese from CCC supplies and milk under special programs, was almost the same in 1959 as in 1958 when it was a record low. Civilian consumption per person of dairy products from all sources dropped to 678 pounds (milk equivalent basis) in 1959, a new record low, compared with 742 pounds in the 1947-49 period. Use of nonfat dry milk was at a peak in 1959, reflecting record large consumer purchases from commercial sources, supplemented by large quantities distributed to eligible domestic programs by the Commodity Credit Corporation.

Postwar Changes in Consumption of Milk Products Vary Widely

The interaction of the various factors discussed above, through the demand and supply aspects of individual dairy products, results in an interesting pattern of changes among the different dairy products (see table 8 for consumption by product weight). In the postwar period, fluid milk and cream products with a wider range in fat content have been introduced. Estimates are now being developed for consumption of the major fluid milk products, such as fluid whole milk, low-fat milk, flavored drinks, skim milk and one or two kinds of cream. In general the rise in the consumption of low-fat milks and skim milk products has been most pronounced. The fat content of whole milk, however, has been trending downward, and the consumption of most kinds of cream has been declining. Newer types of cream products, mostly with lower fat content, have been introduced and are being accepted. This has been most noticeable in the case of sour cream.

Use of American cheese has experienced a steady growth over several decades. Because of competing demands, its use by civilians was cut sharply under the World War II food rationing program, but a gradual increase has continued since then. There has been some indication that use of natural American cheese is increasing relative to the processed cheeses. Consumption of a number of varieties of whole and part whole milk cheese other than American has increased in the postwar period, with the average for all of them up over 40 percent on a per capita basis. (Tables 8 and 11.) In many cases this is the result of offering consumers a wider variety of cheese in additional forms (such as in spreads), and packages. Of the several specific varieties, shown in table 11, use of all except limburger have shown increases.

The expansion of ice cream consumption from the postwar low of 17.2 pounds per person in 1950 to 18.7 pounds in 1959 was stimulated by widening of the distribution system for this product at the retail level, as well as by the increase in consumer incomes and other changes mentioned.

Table 10.--Civilian per capita consumption, selected dairy products, commercial and noncommercial sources, 1945-59 1/

Commodity	1945	1946	1947	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959 2/
	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.
Fluid milk and cream															
Commercial sources:															
On farms without milk cows	8.9	9.7	10.9	10.3	11.3	9.9	10.3	11.5	10.2	10.2	10.9	11.0	10.2	10.8	11.3
Nonfarm	294.0	286.9	268.3	262.6	262.4	264.7	269.4	271.3	272.9	276.9	280.8	283.3	283.5	277.4	277.4
Total 3/	302.9	296.7	279.2	272.9	273.7	274.6	279.7	282.8	283.2	287.1	291.7	294.3	293.7	288.3	288.8
Noncommercial sources:															
On farms with milk cows	88.8	83.5	77.5	72.3	67.9	65.3	64.4	61.5	57.1	53.3	50.7	48.9	45.1	42.3	39.1
Off farm production	6.2	7.2	9.1	6.9	6.1	4.7	3.3	2.6	1.9	1.3	.6	4/	4/	4/	4/
Regular school lunch 5/	1.3	2.1	3.1	3.3	3.9	4.3	4.6	5.1	5.3	5.6	5.7	5.6	5.7	6.1	6.3
Special milk 5/	---	---	---	---	---	---	---	---	---	.3	3.0	5.1	5.8	6.5	6.9
Total 3/	96.2	92.9	89.6	82.5	77.9	74.2	72.4	69.2	64.2	60.4	60.1	59.6	56.6	54.8	52.4
All sources	399	389	369	355	352	349	352	352	348	348	352	354	350	343	341
Butter															
Commercial sources:															
Creamery butter	8.3	8.1	9.0	8.0	8.6	8.7	8.0	7.2	6.9	7.2	7.3	7.2	7.2	6.9	6.7
Farm-churned butter sold	.4	.4	.3	.3	.3	.2	.2	.2	.2	.1	.1	.1	.1	.1	.1
Total 3/	8.6	8.5	9.4	8.3	8.9	8.9	8.2	7.4	7.1	7.3	7.4	7.3	7.3	7.0	6.8
Noncommercial sources:															
From CCC supplies or bought wholly or partly with Government funds	---	---	---	---	4/	.3	---	---	.4	.6	.7	.7	.4	.8	.7
Consumption on farms of farm-churned butter	2.2	2.0	1.8	1.7	1.6	1.5	1.4	1.2	1.1	1.0	.9	.8	.7	.6	.5
Total 3/	2.2	2.0	1.8	1.7	1.6	1.8	1.4	1.2	1.4	1.6	1.6	1.5	1.1	1.4	1.2
All sources 3/	10.9	10.5	11.2	10.0	10.5	10.7	9.6	8.6	8.5	8.9	9.0	8.8	8.4	8.4	8.0
American cheese															
From commercial sources	4.8	4.5	5.2	5.1	5.2	5.3	5.0	5.2	4.9	5.1	4.8	4.8	4.5	4.6	5.0
From CCC supplies or bought wholly or partly with Government funds	---	---	4/	.1	.1	.2	.1	.1	.1	.4	.6	.7	.6	.8	.3
All sources 3/	4.8	4.5	5.2	5.2	5.3	5.5	5.1	5.3	5.1	5.5	5.4	5.4	5.1	5.4	5.2
Nonfat dry milk															
From commercial sources	1.9	3.3	2.9	3.3	3.2	3.4	4.1	4.5	4.0	4.2	4.9	4.6	4.6	4.7	5.2
From CCC supplies or bought wholly or partly with Government funds	---	---	4/	.1	.1	.2	.1	.1	.1	.3	.6	.6	.7	.9	.9
All sources 3/	1.9	3.3	2.9	3.3	3.3	3.7	4.2	4.6	4.1	4.5	5.5	5.2	5.3	5.6	6.2

1/ Aggregate in each category divided by total civilian population. 2/ Preliminary. 3/ Computed from unrounded numbers. 4/ Less than 0.05 pounds. 5/ In the School Lunch and Special Milk Programs the recipients have paid part of the cost.

Table 11.--Civilian per capita consumption of cheese, by varieties, United States, 1945-59

Year	American	Cottage cheese	Swiss, including block	Italian varieties	Cream and Neufchatel	Brick and Munster	Limburger	Other	Total excluding cottage cheese
	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.
1945	4.8	3.0	0.39	0.53	0.52	0.12	0.07	0.29	6.7
1946	4.5	2.9	.40	.66	.57	.13	.07	.40	6.7
1947	5.2	2.6	.51	.31	.47	.19	.05	.20	6.9
1948	5.2	2.9	.50	.40	.39	.18	.05	.22	6.9
1949	5.3	3.2	.60	.46	.40	.21	.05	.25	7.3
1950	5.5	3.6	.70	.54	.46	.20	.04	.27	7.7
1951	5.1	3.9	.66	.48	.49	.21	.04	.25	7.2
1952	5.3	4.0	.75	.52	.51	.22	.04	.25	7.6
1953	5.1	4.2	.75	.57	.50	.24	.04	.28	7.5
1954	5.5	4.4	.79	.58	.50	.26	.03	.25	7.9
1955	5.4	4.6	.81	.66	.49	.27	.03	.27	7.9
1956	5.4	5.2	.80	.75	.53	.27	.03	.20	8.0
1957	5.1	5.2	.69	.77	.53	.27	.03	.29	7.7
1958	5.4	5.1	.68	.88	.55	.28	.02	.23	8.1
1959 1/	5.2	5.2	.72	.91	.56	.28	.02	.33	8.0

1/ Preliminary.

An innovation within recent years has been the introduction of a lower fat "ice cream" product commonly sold under the name of "ice milk." Consumption of this product increased from an average of 0.4 pounds per person in 1945 to 3.9 pounds in 1959. (Table 8.)

Use of cottage cheese also experienced a sharp growth in the postwar period, approximately doubling from 1947 (2.6 pounds) to 1959 (5.2 pounds) on a per capita basis. (Tables 8 and 11.) This item fits particularly well in weight-control diets, and its use apparently has responded well to special promotional efforts in some cities where this has been employed.

Butter consumption made its major downward adjustment during World War II, when its use by civilians was restricted by a rationing program and by the use of more milkfat in other dairy products. Consumption has dropped substantially lower during the postwar period. During 1959 it reached the record low of 8.0 pounds, compared with between 10 and 11 pounds immediately after World War II. (Table 8.) Use of margarine, on the other hand, has

increased steadily during the postwar period, and on a per capita basis first exceeded butter during 1957 (8.6 pounds for margarine compared with 8.4 pounds for butter). Margarine use rose from 6.1 pounds in 1948 to 9.0 in 1958 and 9.2 pounds in 1959.

In terms of their contribution to the diets of people or in terms of the influence on the entire demand structure for milk products, it is most convenient to combine the various unlike products of milk on the basis of the fat and solids-not-fat, respectively, which they contain. These data appear in tables 6 and 7. It will be noted that the consumption per person of milkfat in all its forms reached a record low in 1959 of less than 26 pounds, compared with around 30 pounds just after World War I and 32 pounds prior to World War II. Consumption of solids-not-fat, on the other hand, entirely recovered from the brief dip that occurred after World War II.

SELECTED RECENT ARTICLES, REPORTS, AND SPEECHES PERTAINING TO FOOD CONSUMPTION DATA AND ANALYSES 1/

"Food Marketing Practices of Older Households," by Gwen J. Bymers and Janet Murray Journal of Home Economics, March 1960. Pp. 172-176. 2/

"Food Fat Consumption Trends," by George W. Kromer. Fats and Oils Situation. March 1960. Pp. 22-36.

Basic Appeals in Consumer Acceptance of Milk, by Daniel A. Swope and Francena L. Nolan. Bulletin 656, Pennsylvania State University, August 1959. 27 pp. 3/

"Foods You Will Be Seeing in the Future," address by Philip B. Dwoskin before the 45th Annual Farmers' Week, Michigan State University, February 2, 1960.

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Promotion of Farm Products by Agricultural Groups, by Robert E. Frye and Violet Davis Grubbs. Marketing Research Report 380, January 1960. 27 pp. 5/

An Appraisal of Agricultural Research and the Road Ahead, U. S. Department of Agriculture, Agricultural Research Service. Agriculture Information Bulletin 221, January 1960. 26 pp. 6/ [Based on MP-816, An Evaluation of Agricultural Research, listed below.]

An Evaluation of Agricultural Research, U. S. Department of Agriculture, Agricultural Research Service. Miscellaneous Publication 816, February 1960. 64 pp. 7/

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Water Resources Activities in the United States, Land and Water Potentials and Future Requirements for Water, a report of the Select Committee on National Water Resources, U. S. Senate, Committee Print No. 12, December 1959. 73 pp. [Includes a section on domestic requirements for farm products, 1954 and 1958, and projections for 1980 and 2000.] 9/

1/ Selected on basis of usefulness for economic analysis of food consumption patterns and trends. Unless otherwise indicated, single copies of the publications may be obtained from the Marketing Information Division, Agricultural Marketing Service, U. S. D. A., Washington 25, D. C.

2/ A reprint of this article and a more detailed report in mimeograph form are available from the Department of Economics of the Household and Household Management, New York State College of Home Economics, Cornell University, Ithaca, New York.

3/ May be obtained from Agricultural Experiment Station, Pennsylvania State University, University Park, Pennsylvania.

4/ Available from Agricultural Economics Department, Michigan State University, East Lansing, Michigan.

5/ For sale by Superintendent of Documents, Government Printing Office, Washington 25, D. C. Price 20 cents.

6/ Available from Information Division, Agricultural Research Service, U. S. D. A., Washington 25, D. C.

7/ For sale by the Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C. Price 40 cents.

8/ Reprints are not available.

9/ Available from Farm Economics Research Division, Agricultural Research Service, U. S. D. A., Washington 25, D. C.

Articles in the National Food Situation on the 1955 Household Food Consumption Survey 1/

Pertaining to use of -

Meat -- NFS-80, April 1957, or AMS-340(1)
Fishery products -- NFS-86, October 1958
Poultry and eggs -- NFS-84, April 1958
Dairy products -- NFS-79, February 1957, or AMS-340(4)
Fats and oils -- NFS-82, October 1957, or unnumbered reprint
Fruit -- NFS-86, October 1958
Vegetables, potatoes, sweetpotatoes, dry beans and peas -- NFS-83, February 1958
Grain products -- NFS-85, July 1958 or unnumbered reprint
Sugar and other sweets -- NFS-83, February 1958
Beverages -- NFS-81, July 1957

Pertaining to regional consumption -

Regional indexes -- NFS-89, July 1959, or AMS-340(5)
Northeast -- NFS-81, July 1957, or AMS-340(6)
North Central Region -- NFS-80, April 1957, or AMS-340(2)
South -- NFS-79, February 1957, or AMS-340(3)
West -- NFS-82, October 1957, or unnumbered reprint

Pertaining to home food production -

Part I. How and Where Important -- NFS-84, April 1958
Part II. Livestock products, historical changes and future prospects -- NFS-85, July 1958 or unnumbered reprint

Other articles -

Urban household consumption patterns -- NFS-80, April 1957
U. S. food expenditure patterns -- NFS-78, November 1956
Dietary levels of households -- NFS-80, April 1957

1/ This is prepared in response to requests for complete listing of available articles. Following the subject matter of the article are listed the issue number and the date of the National Food Situation and the reprint number (if in the AMS-340 series) or an indication of the availability of an unnumbered reprint. Reprints in the AMS-340 series may be obtained from USDA, AMS, Marketing Information Division, Washington 25, D. C.; unnumbered reprints from USDA, AMS, Agricultural Economics Division, Consumption Section, Washington 25, D. C.

Table 12.--Production of major food commodities, calendar years, 1935-39 and 1947-49 averages, 1957-59 and preliminary indications for 1960, with percentage comparisons 1/

Commodity	Unit	Average 1935-39	Average 1947-49	1957	1958	1959 Preliminary 2/	Preliminary indications for 1960 2/ 3/	1960 as a percentage of 1935-39	1960 as a percentage of 1947-49	1960 as a percentage of 1959
Meats (carcass weight)										
Beef	Mil.lb.	6,937	9,649	14,211	13,342	13,608	14,700	212	152	108
Veal	Mil.lb.	1,038	1,454	1,528	1,189	1,016	1,100	106	76	108
Lamb and mutton	Mil.lb.	870	716	707	688	738	750	86	105	102
Pork (excluding lard)	Mil.lb.	7,337	10,281	10,478	10,528	12,110	11,450	156	111	95
Total meats	Mil.lb.	16,182	22,100	26,924	25,747	27,472	28,000	173	127	102
Fish (edible weight)										
Fresh and frozen	Mil.lb.	615	706	653	675	647	4/	---	---	---
Canned 5/	Mil.lb.	337	484	443	508	435	4/	---	---	---
Cured	Mil.lb.	74	70	66	60	58	4/	---	---	---
Total fish	Mil.lb.	1,026	1,260	1,162	1,243	1,140	4/	---	---	---
Poultry and eggs										
Eggs 6/	Mil.doz.	3,335	5,086	5,389	5,362	5,460	5,200	156	102	95
Chicken (ready-to-cook) 6/	Mil.lb.	1,730	2,753	4,409	5,022	5,215	5,300	306	193	102
Turkey (ready-to-cook) 6/	Mil.lb.	288	492	1,031	1,022	1,086	1,125	391	229	104
Dairy products										
Total milk 7/	Bil.lb.	105.9	116.3	125.9	124.9	124.4	127.0	120	109	102
Cheese 8/	Mil.lb.	673	1,160	1,407	1,395	1,379	1,405	209	121	102
Condensed and evaporated milk	Mil.lb.	2,225	3,497	2,873	2,749	2,751	2,685	121	77	98
Ice cream (product weight)	Mil.lb.	1,279	2,758	3,123	3,152	3,363	3,485	272	126	104
Fats and oils										
Butter, farm and factory (actual weight)	Mil.lb.	2,195	1,611	1,551	1,510	1,435	1,500	68	93	105
Lard 9/	Mil.lb.	1,630	2,419	2,559	2,441	2,803	2,650	163	110	95
Margarine (actual weight)	Mil.lb.	372	839	1,463	1,573	1,611	1,660	446	198	103
Shortening	Mil.lb.	1,529	1,434	1,808	2,006	2,250	2,275	149	159	101
Cooking and salad oils 10/	Mil.lb.	4/	4/	4/	4/	1,751	1,800	---	---	103
Other edible fats and oils 11/	Mil.lb.	2,157	3,912	6,732	6,988	8,123	8,200	380	210	101
Total fats and oils (fat content) 12/	Mil.lb.	5,554	7,627	10,540	10,645	12,081	12,058	217	158	100
Fruits										
Fresh:										
Citrus	Mil.lb.	6,875	8,782	7,404	6,118	6,816	7,200	105	82	106
Apples (commercial)	Mil.lb.	4,385	3,791	3,908	4,058	3,800	3,900	89	103	103
Other (excluding melons)	Mil.lb.	4,661	4,504	3,998	4,186	4,351	4,200	90	93	97
Processed:										
Canned fruit	Mil.lb.	1,710	2,597	3,443	3,347	3,952	3,600	211	139	91
Canned fruit juices	Mil.lb.	333	2,230	2,278	2,033	2,064	2,100	631	94	102
Frozen (including juice)	Mil.lb.	106	416	1,609	1,360	1,707	1,650	1,557	397	97
Dried	Mil.lb.	1,118	962	715	601	818	4/	---	---	---
Vegetables										
Fresh vegetables and melons 13/	Mil.lb.	18,565	22,565	23,981	24,933	24,195	24,800	134	110	103
Fresh vegetables	Mil.lb.	14,980	18,504	19,641	19,780	19,724	20,275	135	110	103
Melons	Mil.lb.	3,585	4,061	4,340	5,153	4,471	4,525	126	111	101
Canned	Mil.lb.	4,034	6,088	7,748	8,284	7,560	7,625	189	125	101
Frozen	Mil.lb.	14/77	448	1,359	1,428	1,561	1,650	2,143	368	106
Potatoes	Mil.cwt.	213	248	240	266	243	250	117	101	103
Sweetpotatoes	Mil.cwt.	37	25	17	17	19	15	41	60	79
Dry edible beans 15/	Mil.lb.	1,360	1,854	1,563	1,918	1,821	1,750	129	94	96
Dry field peas 15/	Mil.lb.	229	401	333	249	438	360	157	90	82
Sugar, raw basis	1,000 short tons	1,948	2,065	2,561	2,815	2,822	3,050	157	148	108
Grains										
Wheat	Mil.bu.	759	1,251	951	1,462	1,128	1,210	159	97	107
Rye	Mil.bu.	44.9	23.1	27.2	32.2	21.5	26.4	59	114	123
Rice, milled	Mil.lb.	1,340	2,333	3,020	2,754	2,804	3,337	249	143	119
Corn, grain only	Mil.bu.	2,050	2,788	3,073	3,442	3,989	3,900	190	140	98
Oats	Mil.bu.	1,045	1,294	1,301	1,416	1,074	1,086	104	84	101
Barley	Mil.bu.	239	279	437	475	420	418	175	150	100
Peanuts, farmers' stock basis	Mil.lb.	1,230	2,128	1,436	1,836	1,602	4/	---	---	---

1/ Calendar year basis except for fresh citrus fruit for which the season begins in the fall of the previous year; dried fruits on a pack year beginning year indicated; rice on a marketing year ending year indicated. 2/ Excludes Alaska and Hawaii. 3/ Preliminary indications based on trends in livestock numbers, current or prospective rates of output, average or probable acreages and yields, and such other data on advance estimates as are available. These estimates are used only to indicate the general level of food supplies for domestic consumption for 1960, but they are based on such official estimates of production as are available at this time. Revisions will of course be made from time to time throughout the year as official indications or estimates are issued through the Crop Reporting Board of the Department. 4/ Not available. 5/ Excludes products containing small quantities of fish, such as clam chowder, etc. 6/ Includes an allowance for nonfarm production. 7/ Includes an allowance for nonfarm production declining from 2.3 billion pounds in 1935-39 to zero in 1956. 8/ Excludes full skim, cottage, pot, and bakers' cheese. 9/ Includes amount used in manufactured food and nonfood products. 10/ Fully processed liquid vegetable oils. Including use in mayonnaise and salad dressings, potato products, bakery products, and in fish canning, etc. 11/ Includes cottonseed, peanut, soybean, corn, edible olive, and oleo oils; oleo stock, oleostearine, and edible tallow later processed into margarine, shortening, cooking and salad oils, etc., and nonfood items. 12/ Includes butter, lard, and "other edible fats and oils." 13/ This series covers total commercial production for sale as fresh both for shipment to distant markets and for local markets; includes quantities not harvested. Excludes farm garden output for farm household use. 14/ Average 1937-39. Data prior to 1937 are not available. 15/ Cleaned basis.

Table 13.--Retail food prices and total consumer price index, United States, 1950-57 and 1958-60 by months

(Index numbers, 1947-49=100)

Year and month	Meats 1/	Eggs	Dairy products 2/	Fats and oils 3/	Cereals and bakery products	Fruits and vegetables	Sugar and sweets	Beverages	All foods 4/	Consumer price index
1950	105	85	96	80	104	98	102	153	101	103
1951	117	104	107	94	114	107	106	169	113	111
1952	116	95	112	79	117	117	106	170	115	114
1953	110	100	110	80	119	114	108	174	112	114
1954	108	84	106	84	122	112	110	207	112	115
1955	102	87	106	81	124	114	112	186	110	114
1956	97	86	109	83	126	119	110	194	110	116
1957	105	82	112	87	130	119	113	193	114	120
1958	115	86	114	86	133	127	118	179	119	124
Jan.	110	88	115	86	132	122	114	185	117	122
Feb.	112	81	114	86	133	124	114	185	117	122
Mar.	114	91	114	86	133	131	114	183	120	123
Apr.	116	84	112	86	133	137	117	182	120	124
May	117	81	112	86	133	137	118	181	120	124
June	118	79	112	86	133	134	119	181	120	124
July	119	82	112	86	133	132	120	180	120	124
Aug.	118	87	113	86	133	125	120	178	119	124
Sept.	116	98	114	86	134	121	120	175	119	124
Oct.	115	91	114	86	134	121	120	174	118	124
Nov.	114	90	114	85	134	121	120	174	118	124
Dec.	113	84	114	85	134	120	120	171	117	124
1959 5/	111	76	114	82	134	125	120	163	116	125
Jan.	114	83	114	85	134	122	120	169	117	124
Feb.	113	80	114	84	134	121	120	165	116	124
Mar.	111	78	114	83	134	121	120	165	116	124
Apr.	112	69	113	82	134	124	120	164	115	124
May	112	64	113	82	134	126	120	162	115	124
June	112	63	112	82	134	134	120	161	117	124
July	112	75	113	82	134	131	121	161	117	125
Aug.	110	77	114	82	134	126	121	161	116	125
Sept.	110	83	116	81	134	124	121	161	116	125
Oct.	109	81	116	80	134	124	121	162	116	126
Nov.	108	79	116	80	134	123	121	161	115	126
Dec.	107	76	117	80	134	126	121	161	115	126
1960										
Jan.	106	73	116	79	135	126	121	162	115	125
Feb.	106	68	116	78	135	126	121	161	114	126
Mar.	107	70	116	77	136	125	121	161	115	126

1/ Includes chicken and fish.
2/ Includes butter.
3/ Excludes butter.
4/ Includes only foods consumed at home.
5/ Averages computed by Agricultural Marketing Service.

Bureau of Labor Statistics.

U. S. Department of Agriculture
Washington 25, D. C .

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July 1960
FOR RELEASE
July 29, P. M.

The NATIONAL FOOD SITUATION

NFS-93

In this issue:
Changes in Meat Consumption Since World War II

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Approved by the Outlook and Situation Board, July 22, 1960

SUMMARY

Consumer demand for food is expected to continue strong in the months ahead as economic activity, employment and the flow of income to consumers will be sustained at a high level. Food supplies will be large, though somewhat less pork and several fruit and vegetable items will be available this summer and early fall than last. Retail food prices will decline some in the next few months in response to seasonal increases in supplies of major foods, but are expected to remain a little above a year earlier.

More beef, veal and lamb will be available to consumers this summer and fall than last, but the prospective cut in pork will reduce supplies of meat a little below a year earlier. There also will be less lard because of reduced slaughter of hogs. At least as much poultry meat will be available, but fewer eggs. Supplies of milk and dairy products in the second half of 1960 will be up moderately from a year earlier because milk production is expected to continue higher.

More watermelons and cantaloups are being produced this summer than last. Supplies of fresh fruits and vegetables will be above average, though somewhat less plentiful than last summer and early fall. More canned fruit juices and almost as much of the other

(Continued on page 3)

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Table 1.--Volume of farm marketings and home consumption and civilian per capita food consumption, 1935-39 average, 1952-59 and preliminary estimates for 1960, with percentage comparisons

(Index numbers, 1947-49=100)

Item	1935-39 average	1952	1953	1954	1955	1956	1957	1958	1959	1960 Preliminary 1/	1960 as a percentage of 1935-39	1960 as a percentage of 1959
Marketings and home consumption of all farm commodities 2/	73	104	108	108	112	117	112	120	123	124	170	101
Food grains 3/	54	98	98	92	81	90	78	109	103	104	193	101
Vegetables 4/	88	93	95	95	97	101	100	100	100	100	114	100
Fruits and nuts 5/	89	99	98	99	103	105	103	103	108	106	119	98
Sugar crops	106	93	105	117	107	107	122	120	133	139	131	105
Total food crops 6/	74	95	96	93	91	96	91	105	103	103	139	100
Meat animals	73	106	108	112	119	125	120	118	126	125	171	99
Poultry and eggs	63	117	118	124	122	134	137	144	149	148	235	99
Dairy products	88	100	104	106	107	110	111	110	110	113	128	103
Total food livestock 7/	75	107	109	112	116	123	121	121	126	126	168	100
Food marketings and home consumption.	75	104	106	108	110	116	113	117	120	120	160	100
Civilian per capita food consumption ..	91	100	101	101	102	104	102	101	103	103	113	100

1/ Estimates for 1960 are based on calendar-year quantities estimated as of July 1, 1960. 2/ Food and nonfood items. 3/ Wheat, rye, rice, and buckwheat. 4/ Truck crops for fresh use and processing, potatoes, sweetpotatoes, dry edible beans, dry field peas, mung beans. 5/ Except peanuts. 6/ In addition to the crops listed above, includes peanuts, peppermint, popcorn, spearmint, and vegetables grown under glass. 7/ Also includes honey, but excludes turkey hatching eggs.

Table 2.--Index of supply-utilization of farm food commodities, 1935-39 and 1947-49 averages, and 1950-60 1/

Year	Production	Imports	Stock change 2/	Total utilization	Domestic use: Food: Civilian	Domestic use: Food: Military 3/	Domestic use: Nonfood 4/	Domestic use: Total	Commercial exports and shipments to Territories 5/	Department of Agriculture export program: Stock change 6/	Department of Agriculture export program: Deliveries 7/	Department of Agriculture export program: Net purchases 8/
				Section a. Percentage of total utilization in each year								
1935-39	93.9	8.2	-2.1	100.0	67.8	---	30.1	97.9	2.1	---	---	---
1947-49	95.5	6.5	-2.0	100.0	64.8	2.7	27.8	95.3	2.8	---	1.9	1.9
1950	94.6	7.0	-1.6	100.0	65.2	1.4	28.8	95.4	3.2	-.1	1.5	1.4
1951	90.0	6.9	3.1	100.0	62.8	2.7	28.2	93.7	4.6	9/	1.7	1.7
1952	94.8	7.0	-1.8	100.0	65.4	2.1	27.0	94.5	5.2	9/	.3	.3
1953	95.5	7.3	-2.8	100.0	66.6	1.9	26.6	95.1	4.4	9/	.5	.5
1954	96.3	6.4	-2.7	100.0	67.3	1.6	25.7	94.6	5.0	9/	.4	.4
1955	95.7	6.5	-2.2	100.0	66.9	1.4	25.2	93.5	5.7	9/	.8	.8
1956	94.7	6.4	-1.1	100.0	66.0	1.3	24.8	92.1	7.1	9/	.8	.8
1957	94.9	6.5	-1.4	100.0	66.2	1.2	24.3	91.7	7.6	9/	.7	.7
1958	98.7	6.7	-5.4	100.0	65.2	1.2	26.1	92.5	6.7	9/	.8	.8
1959 10/	94.8	7.2	-2.0	100.0	64.6	1.1	26.1	91.8	7.6	---	.6	.6
1960 11/	94.7	6.7	-1.4	100.0	65.2	1.1	25.6	91.9	7.5	---	.6	.6
				Section b. Percentage of total utilization in 1947-49								
1935-39	71.8	6.3	-1.6	76.5	51.8	---	23.1	74.9	1.6	---	---	---
1947-49	95.5	6.5	-2.0	100.0	64.8	2.7	27.8	95.3	2.8	---	1.9	1.9
1950	95.9	7.1	-1.6	101.4	66.1	1.5	29.2	96.8	3.2	-.1	1.5	1.4
1951	94.3	7.2	3.2	104.7	65.7	2.9	29.5	98.1	4.8	9/	1.8	1.8
1952	98.6	7.3	-1.9	104.0	68.0	2.2	27.9	98.1	5.5	9/	.4	.4
1953	100.0	7.7	-2.9	104.8	69.8	2.0	27.8	99.6	4.7	9/	.5	.5
1954	101.3	6.8	-2.9	105.2	70.8	1.7	27.0	99.5	5.2	9/	.5	.5
1955	104.9	7.1	-2.4	109.6	73.4	1.5	27.6	102.5	6.2	9/	.9	.9
1956	109.2	7.3	-1.2	115.3	76.1	1.5	28.6	106.2	8.2	9/	.9	.9
1957	108.8	7.4	-1.6	114.6	75.8	1.4	27.8	105.0	8.8	9/	.8	.8
1958	114.2	7.8	-6.3	115.7	75.5	1.4	30.2	107.1	7.7	9/	.9	.9
1959 10/	115.2	8.8	-2.5	121.5	78.5	1.3	31.7	111.5	9.2	---	.8	.8
1960 11/	115.6	8.2	-1.7	122.1	79.6	1.3	31.3	112.2	9.1	---	.8	.8

1/ Covers farm commodities normally used for food in the United States, including their nonfood use. Relationships were developed from quantative data on supply and use of unprocessed and processed farm products multiplied by average prices in 1947-49. All values were adjusted to farm values. For methodology see Agriculture Handbook 91, Measuring the Supply and Utilization of Farm Commodities, New Indexes, 1924-54. 2/ Includes farm and commercial stocks and holdings under price support programs. Minus sign means an addition to stocks; plus sign means a withdrawal from stocks. 3/ Includes civilian feeding in areas occupied by our Armed Forces. 4/ Includes seed, feed, alcoholic beverages, industrial alcohol, etc. 5/ Excludes deliveries by the Department of Agriculture. 6/ Stocks held for export. Here, minus sign means a withdrawal from stocks; plus sign means an addition. 7/ Shipments out of this country. 8/ Represents net quantities withdrawn from domestic commercial channels. 9/ Less than 0.05 percent. 10/ Preliminary. 11/ Indication.

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processed fruits will be available this marketing season as in 1959-60, but some reduction is indicated for canned vegetables. Potato supplies will be almost as large as they were through early fall 1959, but substantially fewer sweetpotatoes are in prospect because of the sharply reduced crop. Supplies of edible vegetable fats and oils in the next few months will be about as plentiful as a year earlier. Grains for cereals and bakery products will continue in very heavy supply.

Military purchases of food from domestic supplies may be no larger this July-December than last, but food exports may be up a little. The increase in exports will likely be concentrated in wheat, rice and vegetable oils (including oilseeds).

Singles copies are now available from the Marketing Information Division, Agricultural Marketing Service, USDA, Washington 25, D. C. of the following two reports: (1) Consumption of Processed Farm Foods in the United States, by Marguerite C. Burk, Marketing Research Report No. 409, June 1960. 47 pp. This report traces trends in the flow of food into processing over the period 1925-54 and considers the outlook for processing of farm foods. (2) Meat Consumption Trends and Patterns, by the Consumption Section, Agricultural Economics Division, Agricultural Marketing Service, Agriculture Handbook No. 187, July 1960. 67 pp. This bulletin summarizes in nontechnical terms research on meat consumption.

Table 3.--Apparent civilian per capita consumption of major food commodities, primary distribution weight, calendar years, 1935-39 and 1947-49 averages, 1957-59 and preliminary estimates for 1960, with percentage comparisons 1/

Commodity	Average 1935-39	Average 1947-49	1957	1958	1959 Preliminary 2/	1960 Preliminary estimates for 1960 2/	1960 as a percentage of 1935-39	1960 as a percentage of 1947-49	1960 as a percentage of 1959
	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Percent	Percent	Percent
Meats (carcass weight) - Total	127.0	148.5	159.1	152.0	160.1	159	125	107	99
Beef	55.6	65.6	84.6	80.5	81.6	84.5	152	129	104
Veal	8.1	9.7	8.8	6.7	5.7	6.2	77	64	109
Lamb and mutton	6.8	4.8	4.2	4.1	4.5	4.5	66	94	100
Pork (excluding lard)	56.5	68.4	61.5	60.7	68.3	63.5	112	93	93
Fish (edible weight) - Total	11.0	10.5	10.1	10.7	10.7	10.6	96	101	99
Fresh and frozen	5.4	6.0	5.6	5.9	5.9	3/	---	---	---
Canned 4/	4.9	3.9	3.9	4.2	4.2	3/	---	---	---
Cured	.7	.6	.6	.6	.6	3/	---	---	---
Poultry products									
Eggs (farm basis) - Number	300	385	358	349	347	327	109	85	94
Chicken (ready-to-cook)	13.4	18.7	25.5	28.3	28.8	28.8	215	154	100
Turkey (ready-to-cook)	2.2	3.3	5.9	5.8	6.0	6.1	277	185	102
Dairy products									
Total milk fat solids	31.7	29.6	26.3	26.1	25.6	25.4	80	86	99
Total nonfat milk solids	39.6	46.2	47.9	47.4	47.8	48.0	121	104	100
Cheese	5.6	7.0	7.7	8.1	8.0	8.2	146	117	103
Condensed and evaporated milk	16.8	20.1	15.4	14.8	14.4	14.1	84	70	98
Fluid milk and cream	330	359	350	343	341	342	104	95	100
Ice cream (product weight)	9.9	18.7	18.0	17.8	18.7	18.9	191	101	101
Fats and oils - Total, fat content 5/	45.4	42.4	44.5	46.1	45.9	45.7	101	108	100
Butter, farm and factory (actual weight)	17.0	10.6	8.5	8.4	8.0	7.8	46	74	98
Margarine (actual weight)	2.9	5.6	8.6	9.0	9.2	9.5	328	170	103
Lard	11.0	12.4	9.5	9.7	9.0	8.7	79	70	97
Shortening	11.8	9.6	10.4	11.3	12.6	12.4	105	129	98
Other edible fats and oils	6.5	7.3	10.8	11.0	10.6	10.6	163	145	100
Cooking and salad oils 6/	3/	3/	3/	3/	9.7	9.6	---	---	99
Other edible	3/	3/	3/	3/	.9	1.0	---	---	111
Fruits									
Fresh (farm weight) - Total	139.0	132.2	99.3	97.8	101.5	100	72	76	99
Citrus	49.2	54.8	37.0	30.9	33.9	35	71	64	103
Apples (commercial)	30.6	25.6	19.3	22.5	21.9	21	69	82	96
Other (excluding melons)	59.2	51.8	43.0	44.4	45.7	44	74	85	96
Processed:									
Canned fruit	15.0	18.9	22.4	22.7	22.0	23.6	157	125	107
Canned juices	3.9	15.9	13.2	12.8	11.4	12.7	326	80	111
Frozen (including juices)	.8	3.2	9.0	7.9	8.8	9.0	1,125	281	102
Dried	5.8	3.9	3.6	3.0	3.1	3.3	57	85	106
Vegetables									
Fresh vegetables and melons (farm weight) 7/	140.2	147.8	130.3	129.0	125.2	126	90	85	101
Fresh vegetables	113.2	120.4	104.6	102.1	99.6	100	88	83	100
Melons	27.0	27.4	25.7	26.9	25.6	26	96	95	102
Canned	30.1	39.2	43.9	44.8	44.9	44.9	149	115	100
Frozen	8/.4	2.9	7.5	8.1	8.9	9.4	2,350	324	106
Potatoes (farm weight)	130	114	106	99	100	103	79	90	103
Sweetpotatoes (farm weight)	21.6	12.6	7.2	6.7	7.2	5.7	26	45	79
Dry edible beans	8.8	6.7	7.5	7.7	7.6	7.7	88	115	101
Dry field peas	.6	.6	.6	.2	.3	.4	67	67	133
Sugar, refined	97.4	95.1	97.0	98.1	97.7	98	101	103	100
Grains									
Corn products: Cornmeal	23.1	12.9	8.0	7.6	7.5	7.5	32	58	100
Corn sirup	7.7	9.9	8.9	9.5	9.9	9.9	129	100	100
Cornstarch	1.3	1.8	1.9	1.9	1.9	1.9	146	106	100
Corn sugar	2.7	4.2	3.2	3.7	3.9	3.9	144	93	100
Breakfast cereals	1.6	1.5	1.7	1.8	1.8	1.8	112	120	100
Hominy	1.4	2.8	2.8	3.0	3.0	3.0	214	107	100
Oat food products	3.9	3.3	3.4	3.5	3.5	3.5	90	106	100
Barley food products 9/	1.4	1.6	1.0	1.0	1.0	1.0	71	63	100
Wheat: Flour 10/	160	137	119	120	119	118	74	86	99
Breakfast cereals	3.3	3.2	2.8	2.8	2.7	2.7	82	84	100
Rye flour	2.3	1.4	1.2	1.2	1.2	1.2	52	86	100
Rice, milled	5.8	4.9	5.8	5.7	5.1	5.2	90	106	102
Beverages									
Coffee 11/	14.0	18.2	15.7	15.9	15.9	16.3	116	90	103
Tea	.67	.58	.61	.60	.60	.60	90	103	100
Cocoa beans	4.4	4.1	4.2	3.7	4.2	4.2	95	102	100
Peanuts (shelled)	4.3	4.4	4.5	4.5	4.5	3/	---	---	---

1/ Quantity in pounds except for eggs which are stated in number. Data on calendar year basis except for dried fruits, which are on pack year basis; fresh citrus fruits, dry field peas, and peanuts on a crop year basis; rice on August 1, year; and canned fruits and vegetables on pack year basis in 1935-39. All years begin in year indicated except for fresh citrus, which begins in October of the previous year, and rice, which begins in August of previous year. 2/ Excludes Alaska and Hawaii. 3/ Not available. 4/ Excludes canned food products containing small quantities of fish, such as clam chowder, etc. 5/ Computed from unrounded data. 6/ Fully processed liquid vegetable oils. Including use in mayonnaise and salad dressings, potato products, bakery products, and in fish canning, etc. 7/ This series covers total commercial production for sale as fresh, both for shipment to distant markets and for local markets. Excludes farm garden output for farm household use. 8/ Average 1937-39. Data prior to 1937 are not available. 9/ Barley used for food products in terms of malt equivalent. 10/ Includes white, whole wheat, and semolina flour. 11/ Green bean basis.

Population estimates used to obtain per capita consumption figures are official Census estimates of civilian population.

RETAIL FOOD PRICES

Retail food prices have trended upward seasonally since midwinter when they were a little lower than a year earlier, and in June were 1 percent above June 1959. The average for January-June was the same as last year. The composite price index for other goods and services consumers buy was relatively stable through midyear, averaging moderately higher than in the same part of 1959.

Among the major food commodities, prices averaged noticeably lower for meats, fats and oils, and beverages than during the first half of 1959. Offsetting these reductions were the sharp increase for fruits and vegetables, and more moderate advances for dairy products, cereals and bakery products, and sugar and sweets. The average for eggs was the same as a year earlier. The food price advance which began in late winter, largely reflected strengthened farm prices of hogs, eggs, potatoes, and fruit. Food marketing margins averaged about the same this January-June as last.

The demand for food and marketing service with food is expected to continue strong. With supplies of pork likely to be well below the heavy ones of last summer and early fall, and those of a number of fresh fruits and vegetables and processed vegetables likely to be a little lower, retail food prices in the next few months probably will continue to average a little higher than a year earlier. A probable small advance in total processing and distribution charges also will contribute to higher retail food prices. General economic activity, employment and consumer incomes are expected to continue at a high level.

COMMODITY REVIEWS

Meat

A little less meat will be available for civilian consumption in the remainder of 1960 than a year earlier. Beef and veal will continue moderately more plentiful than in 1959, particularly the better grades of beef. A little more lamb also will be available. However, these increases will be more than offset by the reduction in pork supplies. Retail meat prices will likely average a little higher than in the second half of 1959.

Meat production was 7 percent greater this January-June than last as output of both beef and pork increased significantly. Higher production of beef reflected the greater number of cattle on feed and the record cattle inventory. Hog slaughter was above 1959 until recently when it began to reflect the reduction in farrowings which got under way late last year. Veal production was a little higher than in the first half of 1959. Lamb and mutton output was about the same. Sheep and lamb slaughter was a little lower this January-March than last because fewer of these animals were on feed at the beginning of this year. However, the situation reversed in the second quarter because of the little larger early lamb crop this spring.

The January-June average retail price of meat was 4 percent lower this year than last. Even though meat prices increased this spring, they have remained lower than a year earlier.

Meat imports thus far this year have been significantly smaller than in the same part of 1959 largely because of reductions for beef for processing. The net movement of meat into cold storage has been greater than in the first half of 1959, in anticipation of seasonally slack production this summer. Much of the inventory gain was in pork. Cold-storage holdings of pork on July 1 was 13 percent larger than on the same date last year.

During the next few months beef production will continue noticeably larger than a year before. Supplies will not be up by as much because of reduced imports. Expanded marketings of fed cattle will provide much of the increase in the upper grades of beef. Supplies of the lower grades of beef -- which come from cows and other grass cattle -- also will be above that of last summer, though probably by a smaller margin, barring extensive drought. Civilian per capita consumption of beef will increase seasonally during the last quarter of 1960, averaging a little higher than the corresponding rate of last year. For this year as a whole, consumption of beef is estimated at 84.5 pounds per capita, 4 percent greater than in 1959.

The expansion in cattle herds resulted in a relatively low rate of calf slaughter for over 2 years. However, the size of herds has reached the point where slaughter of calves has pushed above a year earlier. The margin over last year will be increasing this summer and fall. Veal consumption for 1960 is forecast at 6.2 pounds per person, compared with 5.7 pounds last year. Most of the gain will occur during the remaining months of this year. Per capita consumption of veal in 1959 was the lowest since 1901.

The gain in lamb and mutton supplies over a year ago also is expected to be moderate, reflecting the small increase in the lamb crop this year. Civilian consumption of lamb and mutton is estimated at 4.5 pounds per person, unchanged from last year.

Pork supplies during the remainder of 1960 are likely to be much lower than a year earlier, reflecting mainly the cutback in the size of 1960-spring pig crops. Although the 1959 fall pig crop -- which is marketed from early spring through summer 1960 -- was 2 percent larger than the 1958 fall crop, early marketings for slaughter tended to be heavy and pork production did not decline below the year-earlier level until about mid-1960. Because of this there will be significantly smaller supplies of pork this summer and early fall than last, when they were very large for that time of year. Reduced output will partly be offset by much heavier withdrawals from cold storage this summer. Per capita consumption of pork this July-September is expected to be at the lowest rate for this part of the year since World War II, when meat was rationed. This year's spring pig crop, which will be marketed from this fall into next

winter, was 16 percent smaller than the year-earlier crop. The reduction was relatively greatest for the early-spring crop, which is marketed mainly in the fall.

Retail beef prices probably will be relatively stable in the next few months. They will be under pressure of increasing supplies and may inch downward during the rest of the year, as in 1959. Pork prices, on the other hand, will advance seasonally this summer -- probably more than usual and certainly more than the unusually small gain last summer. However, larger supplies of beef and poultry will likely keep pork prices below the near-record levels of mid-1958.

Fishery Products 1/

U. S. civilian consumption of fishery products in the next few months is expected to continue close to that of a year earlier. Supplies of the processed items will remain lower than a year ago until marketings of the 1960 pack of the canned commodities start in volume during late summer. Retail prices of fish and shellfish may average a little lower this summer and early fall than last.

Commercial landings of food fish and shellfish are now at the season's peak. The annual total for this group may be higher than in 1959, when the catch of both salmon and sardines was unusually small.

Supplies of fishery products were somewhat lower this January-June than last. Stocks of the frozen commodities at the beginning of 1960 were well above those of a year earlier, but those of the canned products were much lower. The catch and imports of food fish and shellfish through mid-spring also were down. Civilian per capita consumption of these foods was maintained at the year-earlier level by drawing on stocks. Retail prices averaged a little lower than in the first half of 1959 because of the lower prices this past winter.

Poultry and Eggs

Egg supplies in the remainder of 1960 are expected to continue below a year earlier because of reduced output, but production of turkeys and meat-type chickens probably will be sustained at a high level. Retail prices for eggs and poultry meat this year are expected to average well above the low levels of 1959.

Consumption of eggs by U. S. civilians will be noticeably lower this year year than last -- 327 eggs per person, compared with 347 in 1959. This accelerates the downtrend that has been under way for the past 10 years.

1/ Prepared in cooperation with the Bureau of Commercial Fisheries, U. S. Department of the Interior.

Through the first 5 months of 1960 per capita consumption of eggs in the shell averaged 130 eggs, compared with 134 in the same period of 1959.

Egg prices to farmers declined from May to June but remained above the year before. By the end of the month, however, some wholesale quotations were lower than in 1959. This price weakness resulted from large production during May and June when the weather was unusually mild. The laying flock and egg production in coming months are likely to decline below 1959 levels, mostly on account of the reduced number of replacement chickens being raised. At year-end, the laying flock may be 7 or 8 percent smaller than last year, and only part of this deficiency will be made up by higher rates of lay.

Because of the egg price weakness during June, the Department of Agriculture resumed the purchase of dried egg, after a 6-week suspension of the program that was first announced on December 28, 1959. About 9.1 million pounds of dried egg solids were bought for school lunch and welfare distribution in the first phase of the program, and $2\frac{1}{2}$ million pounds more in the first half of July. This is equivalent to about 2 percent of total U. S. egg production during the same period.

Because of well-sustained rates of lay and the expectation of higher egg prices, farmers have been slow to cull their flocks this year. As a result, supplies of hens -- the important source of chicken for processed foods such as frozen pot pies and canned soups -- have been lower than last year, and prices to farmers and at wholesale are up from last year. These prices probably will weaken seasonally, but are unlikely to reach last year's low levels, particularly if broiler prices hold up to expected levels.

So far this year, broiler prices to growers in major producing areas have generally been above last year, even though production has averaged at about the year-ago level. If July and August slaughter follows preceding chick hatchings, it will be at the season peak and about 10 percent larger than in 1959. Nevertheless, broiler prices may remain above 1959 principally on account of the smaller supply and higher price of pork. Also, the usual seasonal increase in demand for broilers is expected to develop this summer in contrast with last summer.

The increase over last summer's broiler supplies exceeds the average increase expected for the year. Total slaughter of hens and other byproduct chickens will be less than in 1959. Total production of chicken from all sources will be up only about as much as the population. This means that the 1960 per capita consumption of chicken will be at the 1959 figure of 28.8 pounds (ready-to-cook).

The 1960 turkey crop will number about the same as the 82 million birds raised last year, but fewer are Beltsvilles and more are heavy breeds, including heavy-breed white turkeys. Even if an increased

proportion of the heavy whites are slaughtered young, there may be a greater premium this year than last for turkeys of weights suitable for use by small families.

Turkey prices presently are higher than last year. At the farm, mid-June prices were 24.0 cents per pound live, 9 percent above last June and up by about the same percentage from the June-October 1959 average. They are likely to continue above a year earlier through October. Late in 1960, however, they may fall below late 1959 when prices rose abruptly.

Per capita supplies of turkey for the year will not be significantly changed from the average of 6 pounds (ready-to-cook basis) consumed last year.

Dairy Products

More milk and dairy products are expected to be available this year than last because of increased production. Civilian consumption of these food products may total a little higher (in terms of milk equivalent) than in 1959, but will likely be down a little on a per capita basis. Retail prices of milk and dairy products are expected to average a little higher than a year ago.

Milk production in 1960 may total a little above that of last year. Among the major factors contributing to the increase over 1959 are the continued increase in milk production per cow, the reduction in the rate of culling among existing dairy herds, and a decline in the number of farmers discontinuing their dairy operations. In the past few years prices for beef cattle encouraged culling of herds and the exit of farmers from dairying even though returns from dairying probably were more favorable than in other recent years. The change in prospect for 1960 apparently reflects farmers' expectations of some further decline in beef cattle prices over the next few years, while prices received for milk relative to feed costs probably will remain relatively stable through this year, at least.

Civilian per capita consumption of milk and dairy products probably will be a little lower in 1960. For major items, the change from 1959 is expected to reflect a continuation of the trend in recent years. A further increase is likely for ice cream, cottage cheese and a number of other skim milk products, and milk-and-cream mixtures. Consumption of American and other whole and part-whole milk cheese may be 8.2 pounds per capita, a little higher than in 1959 and a record. Some reductions from last year are in prospect for butter and evaporated milk. According to preliminary indications, civilian use of fluid whole milk per person may be no larger this year than in 1959.

Within the fluid milk products group, significant divergent consumption trends have been under way for a number of years. Per capita use of low-fat or fat-free fluid milk products has increased substantially, while consumption of fluid whole milk has tended to decline. The Special Milk Program for children noticeably expanded an important outlet for fluid whole milk. However, this gain (in terms of milk fat solids) has to some extent been offset by the lower fat content of so-called fluid whole milk in a number of commercial

markets as well as some substitution by consumers of low-fat or fat-free fluid milk products for fluid whole milk. Per capita consumption of fluid cream has trended downward rather steadily over several years. Part of this decline has been due to the shift by consumers to the use of milk-and-cream mixtures.

Retail prices of milk and dairy products are expected to average a little higher this year than last. For a number of years total processing and distributing charges for milk products have tended to increase. As in the past 7 years, the price-support program will continue to have an important influence on retail prices of these products. With few exceptions, there has been little evidence that higher consumer income in recent years has offset the effect of higher prices on the level of civilian per capita consumption of dairy products. In addition, consumers tastes have been shifting adversely for some dairy products.

The Commodity Credit Corporation may have at least as much butter and nonfat dry milk as in 1959, but considerably less cheese. CCC supplies of such commodities in the past have been distributed to school-lunch and eligible welfare programs at home and abroad. Price-support purchases of butter and nonfat dry milk have been somewhat larger this January-July than a year earlier, but those of cheese have been negligible. Cheese purchases during the remainder of the year will depend largely on the level of wholesale prices, which are now at about the support level. Production of cheese has been just slightly higher thus far this year than last; total consumption also has been up. In addition, over the past few years commercial stocks of cheese have been increasing, apparently in part due to the need for aging a larger proportion of the supply.

Somewhat more foreign cheese will be available in the United States this year than last. On July 1, a Presidential Proclamation became effective which permits a doubling of the annual import quotas for Edam and Gouda cheeses (from 4.6 to 9.2 million pounds) and a 25 percent increase for Italian-type cheeses (from 9.2 to 11.5 million pounds). The Proclamation is based on an investigation, started last fall, which indicated that the specified increases would not seriously interfere with the domestic price-support program on milk and butterfat. In the absence of quotas on cheese and a number of other dairy products, the relatively higher domestic prices would attract substantial quantities to the United States.

Fats and Oils

Supplies of food fats and oils are expected to continue near last year's high level for the remainder of the current marketing year. Domestic disappearance of food fats and oils is expected to remain slightly higher this summer and early fall than last. However, per capita consumption of food fats and oils in the next few months probably will average about the same as a year earlier because of the larger civilian population. Retail prices of fats and oils food products averaged much lower this January-June than last. Prices in the coming months are expected to be relatively stable at current levels and a little lower than a year earlier.

Civilian consumption per person of food fats and oils during the first half of 1960 apparently was about the same as a year earlier For calendar year 1960, civilians are expected to have 45.7 pounds (fat content) per capita, about equal to the 1959 rate. Margarine use per person this year probably will set a new record, while the rate for butter probably will decline again to a new record low. Consumption of lard as such and shortening will likely be a little lower than in 1959, but little change is expected in per capita use of salad and cooking oil.

The retail prices of margarine, shortening, salad dressing, and lard have averaged considerably lower this January-June than last, but the price of butter has remained approximately the same.

Production of food fats and oils during the remainder of 1960 is expected to be about as large as a year earlier There probably will be a slight increase in the oilseed crush. The considerable increase in butter output in prospect in part reflects the likelihood of continued heavier output of milk. However, lard production is expected to be about 16 percent lower in the second half of 1960 than in the same period a year earlier since both the number of hogs slaughtered and yield of lard per hog slaughtered will be down. Current indications point to a heavy output of oilseeds this year. Crushing of the 1960 oilseed crop will pick up in volume seasonally this fall.

Exports of food fats and oils (including the oil equivalent of soybeans) so far this marketing season are about 25 percent larger than a year earlier. For the full season, October 1959 to September 1960, they are expected to total around 3.8 billion pounds, compared with the record shipments of 3.3 billion pounds in 1958-59. Large available supplies of edible fats and oils at moderately low prices this marketing year has encouraged a sharp increase in dollar-financed exports. These commercial exports will more than offset the decline in shipments of edible oils under P. L. 480, which are substantially less this year than last.

Fruit

Fresh fruits are expected to be in moderately smaller supply this summer and early fall than last, but there will likely be a little more of the processed fruits. Retail prices of fresh fruits probably will average somewhat higher than last summer, but those of many processed items may be no higher.

Midyear indications pointed to a moderately smaller total supply of deciduous fruit for fresh use through early fall this year than last. About as many peaches will likely be available for fresh use through mid-summer, but late-season supplies will be down somewhat from a year earlier. More sweet cherries and about as many grapes are in prospect. Smaller supplies are expected for apples, apricots, sour cherries, pears, and plums and prunes.

Fresh citrus will be less plentiful this summer than last. The lighter supplies of oranges will reflect both a smaller volume of California Valencias harvested as well as a greater than usual proportion of small-sized fruit. The

seasonally light supplies of grapefruit also will be smaller than usual this summer because of the reduced crop in California. Although remaining supplies of lemons are a little lower than a year ago, they are adequate for the expected fresh market requirements. There will be somewhat more limes than last summer because of heavier production in Florida.

The supply of domestic tree nuts in 1960-61 are expected to be about the same as the very large one of a year earlier. According to early-season prospects, the walnut crop will be moderately larger than in 1959, but those of both almonds and filberts will likely be down considerably. (The official estimate of pecan production is not made until August.) There will be a substantial carryover into 1960-61 of almonds from last year's record crop.

Supplies of processed fruits will continue somewhat larger this summer than last because of moderately larger carryover stocks. However, because of probable reduced output this year, total supplies may be a little lower in the 1960-61 marketing year than in 1959-60.

Movement of the record 1959 pack of canned fruit into consumption channels was unusually large. As a result, carryover stocks are only moderately heavier this summer than last. The carryover increase is likely to be less than the reduction in the 1960 pack and total supplies of canned fruit in 1960-61 may be down slightly from the heavy volume of the preceding marketing season. Large packs of most canned fruits are expected again in California, the leading canning State. But smaller output of some fruits is in prospect in both the Pacific Northwest and the northeastern States, where crops were reduced by unfavorable weather last spring. In Florida, where the production season recently ended, the packs of canned citrus sections and citrus salad were moderately smaller than in 1958-59 mainly because of the smaller crop of grapefruit there in 1959-60. Retail prices of canned fruits in the current marketing year are expected to average somewhat higher than in 1959-60.

Processed fruit juices, particularly the canned citrus products, are expected to continue in larger supply and lower price this summer than last. Although packers in Florida, the major producing area, have sold more canned single-strength citrus juices thus far this season than a year earlier, supplies remain moderately larger. The pack was larger this season than in 1958-59 and there was a larger carryover. Remaining supplies of frozen orange juice concentrate are about as large as a year earlier. There was a large carryover this season, but production was a little lower than the record 80 million gallons packed in the 1958-59 season and packers' sales to date in 1959-60 have been up some from a year earlier. Production of chilled orange juice in Florida was a little larger than last season. The larger number of lemons processed thus far in 1959-60 than in 1958-59 indicates another large pack of canned and frozen lemon juice products.

Supplies of frozen deciduous fruits and berries may be somewhat smaller in 1960-61 than in 1959-60. Cold-storage stocks on June 1, when season's production was getting underway, was noticeably smaller than a year earlier. Because of lighter crops this year, particularly of strawberries, production of frozen deciduous fruits and berries probably will be somewhat smaller than

in 1959. Retail prices of these products may average a little higher this marketing year than in 1959-60.

Much more dried fruit than a year earlier will be available through late summer, when the present marketing season ends. The supply situation reflects the much larger packs in 1959 than in 1958, when output was unusually small. Production of dried fruit may not be as large this year as in 1959, but will likely exceed that of most other recent years.

Vegetables

Materially more cantaloups, watermelons and dry peas are indicated for this summer than last. Prospects also are for a little less fresh vegetables and potatoes, and moderately to substantially fewer processed vegetables, sweetpotatoes, and dry edible beans. Retail prices of most items may average a little higher than last summer, with melons and dry peas the major exceptions.

Supplies of fresh vegetables are at their seasonal peak during the summer. However, estimates in early July for crops which make up about two-thirds of the summer tonnage indicate that there will be 3 percent less vegetables (excluding melons) than a year earlier because of reduced acreage. Substantially more cucumbers, beets, escarole, and early summer onions are in prospect than last summer, and moderately more lettuce. More than offsetting are prospective sharp output reductions for sweet corn, eggplant and early summer tomatoes, and more moderate declines for snap beans, carrots, cauliflower, celery and spinach. Retail prices of fresh vegetables are expected to average a little above those of a year earlier.

Materially more watermelons and cantaloups are available this summer than last. Retail prices of these melons in the next 4 to 6 weeks are expected to average somewhat lower than a year earlier.

Civilian per capita consumption of fresh vegetables (excluding melons) in 1960 may be about the same as in 1959. A substantial increase in the winter tonnage offset more moderate decreases in spring and summer production. Unfavorable weather delayed planting and the development of spring and summer crops in a number of important producing areas. Watermelon consumption is expected to be moderately above last year's rate, and that of cantaloup the same to slightly higher.

Fewer processed vegetables will be available this marketing year than last. Indications in July were that supplies of canned vegetables would be moderately smaller than in 1959-60 mainly because of substantially lower carryover stocks. The pack of canned vegetables may be about the same this year as in 1959. Among the major canned vegetables, more snap beans and lima beans will likely be available because of expected larger packs this year. Supplies of spinach are expected to be up because of larger stocks at the beginning of the season. However, there will be considerably fewer green peas in 1960-61 than a year earlier; more moderate reductions in supply are in prospect

for canned whole tomatoes and most tomato products, sweet corn and cucumber pickles. Total supplies of frozen vegetables probably will be moderately larger than in 1959-60. Retail prices of both canned and frozen vegetables are expected to average a little higher this summer than last.

Production of summer potatoes is estimated at 46.7 million hundredweight, 2 percent less than the year-earlier crop. As harvest of the late-summer crop picks up, the retail price of potatoes may ease some. During the next 4 to 6 weeks prices for western grown potatoes are likely to average above a year ago, reflecting smaller supplies in the west. Retail prices for eastern potatoes may average close to those of a year earlier.

Civilian per capita consumption of potatoes this year may be somewhat higher than in 1959. There is likely to be a continued expansion in the use of commercially processed potato products.

Early estimates of production place the sweetpotato crop at 14.7 million hundredweight, 21 percent less than last year and the smallest since 1881. Civilian per capita consumption of sweetpotatoes this year is expected to be materially less than in 1959. The reduction will be in the second half of 1960. Retail prices of sweetpotatoes averaged considerably lower this January-June than last. But prices during the second half of 1960 are likely to average at least moderately above those of a year earlier.

Moderately fewer dry edible beans will be available in 1960-61 than a year earlier, and probably substantially less dry field peas. However, supplies of both beans and peas are expected to be adequate to maintain consumption by U. S. civilians at the same rate as in 1959-60, and also meet anticipated export needs.

Cereal Foods

Civilian per capita consumption of cereal foods in 1960 is expected to be close to last year's rate. Retail prices probably will average somewhat higher this year because of increased processing and distributing charges.

Supplies of grains in the year ahead are expected to be a little larger than in 1959-60. The increase will be mainly in wheat. There may be much more rye and a little more corn, but less rice, oats and barley. Supplies of these grains are again more than adequate to meet expected domestic needs and exports in 1960-61.

Wheat supplies this marketing season are estimated to be about 2,670 million bushels. This exceeds by 10 percent the record set last year, and is 31 percent above the average for 1954-58. The increase over 1959-60 results primarily from the larger wheat crop in prospect this year, the third largest of record. Carryover stocks July 1, 1960 were about the same as a year earlier.

Total distribution of wheat this marketing year is expected to be about the same as in 1959-60. A probable small increase in domestic use will balance a likely reduction in exports from the near-record high of last season.

Civilian consumption of wheat food products in 1960 is estimated at 165 pounds, grain equivalent, per person. This is slightly lower than last year's rate. However, because of the population increase, the total tonnage of wheat used domestically as food will be a little higher than in 1959.

About 8 percent more rye will be available this marketing year than in 1959-60, and more than enough for anticipated total domestic needs and exports. The crop is estimated at 29.6 million bushels, up 38 percent from last year, but the carryover was lower and imports may be down some. Civilian consumption of rye in food products in 1960 is expected to be around 1.4 pounds (grain equivalent) per person, the same as in 1959.

Early-season indications point to moderately smaller supplies of rice in 1960-61 than a year earlier. The crop is expected to be about the same as last year's but the carryover is expected to be down over 20 percent from the 15.7 million hundredweight of last August 1 because of near record-large exports in 1959-60. Civilian per capita consumption of milled rice in 1960-61 may average about 5.2 pounds, about the same as estimated for the preceding year. The 10-year (1949-58) average consumption of rice is 5.5 pounds.

Corn is expected to be in record supply in 1960-61, slightly more than a year earlier. The increase over 1959-60 reflects the heavier carryover in prospect and prospects for another large crop of over 4 billion bushels. However, the supply of oats is the smallest in recent years and the barley supply is down 3 percent from 1959-60.

Per capita consumption of food products made from corn, barley and oats in 1960 is expected to be about the same as in 1959. Among the major corn products, civilians are expected to consume about the same quantities of corn sirup, sugar and starch per person in food products this year as last. While consumption of cornmeal has been declining in recent years, the rate for hominy and grits has increased. According to data from the Census of Manufactures, shipments by processing plants of hominy and grits for human consumption totaled 586 million pounds in 1958 -- 174 million pounds more than reported for 1954, the preceding Census year. Allowing for exports and shipments to territories, estimated consumption of hominy and grits by U. S. civilians was 3.0 pounds per capita in 1959, more than a fourth higher than 5 years earlier.

Retail prices of corn flakes and cornmeal have been stable this January-June averaging a little higher than a year earlier. The price of rolled oats rose in almost every month, averaging 7 percent higher than in the first half of 1959.

Sugar

The new legislation relating to sugar, which became effective July 6, required the President of the United States to determine Cuba's quota for the remainder of 1960 and for the first 3 months of 1961. In determining the quota for the balance of 1960, the President in effect reduced the previous one by 700,000 tons (raw value). Since then, the Secretary of Agriculture, in 2 actions, raised sugar requirements from 9,400,000 to 10,000,000 tons. The Cuban share of these increases was withheld.

Under the President's and Secretary's actions, 1,097,540 tons of raw sugar became subject to redistribution for "nonquota sugar purchases." The bulk of that quantity (754,619 tons) was authorized for purchase in two actions of the Secretary of Agriculture, with the concurrence of the Secretary of State.

Specific authorizations are, as follows:

	Short tons, raw value
Mexico	250,540
Other Central American and Caribbean areas	143,092
Peru	135,000
Brazil	100,347
Philippine Republic	109,755

Marketing by primary distributors of sugar to be consumed by civilians on the United States mainland totaled 4,377 thousand short tons, raw value, as of midyear. This was record large for the time of year, and slightly higher than in the first half of 1959.

Civilian consumption of refined sugar in 1960 is currently estimated to be 98 pounds per capita, about the same as last year.

The retail price of refined sugar in 5-pound packages averaged a little higher this January-June than last. Refiners and processors have announced wholesale price increases for refined sugar to become effective, in most instances, on July 23. These announcements followed an increase of nearly 6 percent in the domestic price of raw sugar, which occurred around mid-June.

CHANGES IN MEAT CONSUMPTION SINCE WORLD WAR II 1/

From the economic viewpoint, meat is the most important food in the average diet of civilians in the United States. In the postwar period it has represented about a fourth of the total value of food purchased at retail for use in the home. Per capita consumption of meat in this country has been on the uptrend during this period. These increases resulted from changes in various economic, social and technological factors.

Post-War Changes in Per Capita Meat Consumption

In each of the first 2 postwar years civilians consumed from 154 to 155 pounds 2/of meat per person. (Table 4.) The consumption rate then subsequently fell to the postwar low of 138 pounds in 1951. There was a more than 4 percent decline between 1950 and 1951 partly because of sharply increased purchases by our military agencies (1951 was the first full year of the Korean conflict) and partly to reduced marketings of cattle for slaughter. Civilian consumption of meat subsequently trended upward, reaching a record high of almost 167 pounds in 1956. Since then the rate has fluctuated somewhat below this level, and in 1959 was 160 pounds.

The uptrend in meat consumption per capita reflects primarily the changes in beef. For the other classes of meat, the trend has been downward. Trends are influenced by changes in longer term factors such as consumer tastes and preferences. Year-to-year variations reflect mainly changes in supplies and prices. Seasonal differences in meat consumption are less pronounced now than in the past because of changes in the pattern of production and marketings of meat animals.

Beef consumption trended upward both in terms of pounds and as a percentage of total meats consumed since 1946. After declining from the 37-year high of almost 70 pounds (in 1947) to the postwar low of 56 pounds (in 1951), consumption of beef increased to a record high of over 85 pounds in 1956. The rate remained high since then, though moderately below the peak. In 1959 it was almost 82 pounds.

Beginning with 1953 civilians have consumed more beef than pork per person. This had occurred in only 9 years between 1900 and 1953. Since 1953 beef accounted for at least half of total per capita consumption of meat by U. S. civilians. In the earlier post-World War II years beef represented from 40 to 45 percent of all meat consumed.

1/ Prepared by Earl E. Miller of the Statistical and Historical Research Branch, AMS.

2/ The meat consumption statistics quoted in this report are on a "wholesale dressed" (i.e., carcass) basis except where otherwise stated. These data exclude poultry.

Table 4.--Civilian per capita consumption of meat, by kinds, and of canned meats, 1935-39 average and 1946-59

Year	Carcass weight					Canned meat (Product weight) 1/
	Total meat	Beef	Veal	Lamb and mutton	Pork	
	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds
1935-39 average	127.0	55.6	8.1	6.8	56.5	2/3.4
1946	154.1	61.6	10.0	6.7	75.8	8.0
1947	155.3	69.6	10.8	5.3	69.6	7.2
1948	145.5	63.1	9.5	5.1	67.8	7.8
1949	144.6	63.9	8.9	4.1	67.7	7.2
1950	144.6	63.4	8.0	4.0	69.2	8.7
1951	138.0	56.1	6.6	3.4	71.9	8.9
1952	146.0	62.2	7.2	4.2	72.4	9.4
1953	155.3	77.6	9.5	4.7	63.5	10.0
1954	154.7	80.1	10.0	4.6	60.0	9.8
1955	162.8	82.0	9.4	4.6	66.8	10.2
1956	166.7	85.4	9.5	4.4	67.4	11.0
1957	159.1	84.6	8.8	4.2	61.5	10.6
1958	152.0	80.5	6.7	4.1	60.7	10.7
1959 3/	160.1	81.6	5.7	4.5	68.3	10.7

1/ Components are included in data on carcass weight equivalent.
2/ 1937-39 average. Data prior to 1937 are not available.
3/ Preliminary.

Table 5.--Retail value of meat consumed as related to disposable personal income, 1935-39 average and 1946-59 1/

Year	Total meat 2/	Beef	Pork
	Percent	Percent	Percent
1935-39 average	5.7	2.2	2.8
1946	4.6	1.6	2.4
1947	6.3	2.6	3.1
1948	6.1	2.6	2.8
1949	5.6	2.5	2.6
1950	5.5	2.5	2.4
1951	5.5	2.5	2.5
1952	5.4	2.5	2.4
1953	5.1	2.3	2.2
1954	5.0	2.3	2.2
1955	4.7	2.3	2.0
1956	4.5	2.2	1.8
1957	4.6	2.4	1.8
1958	5.0	2.6	1.9
1959 3/	4.8	2.6	1.8

1/ Retail value is computed by multiplying by retail prices the fresh retail-cut equivalents of the beef, veal, lamb and mutton, and pork consumed. It includes the value of home-produced meat as well as all meat sold.
2/ Beef, veal, lamb and mutton, and pork.
3/ Preliminary.

The short-term decline in per capita beef consumption in the late 1940's and early 1950's and, again, in the late 1950's reflected a cyclical reduction in beef supplies. In each period, marketings of cattle (particularly beef cows and calves) were restrained because farmers were building up the size of their herds.

During the postwar years, seasonal variations in supplies and consumption of beef lessened. An increasing proportion of the beef supplies has come from fed cattle, which can be marketed at a more regular rate during a year than can cattle from pastures.

Pork consumption in the postwar period has fluctuated downward. It dropped steadily in the late 1940's from a high of around 76 pounds per person in 1946 to less than 68 pounds in 1949. In the early 1950's consumption increased as production expanded sharply in response to the stepped-up demand for meat during the Korean conflict when the output of beef lagged. Consumption declined sharply to a low of 60 pounds per person in 1954. Much of the postwar downtrend is due to the decline in the use of home-produced pork on farms. This reflects the continued shift of farmers to nonfarming occupations, the movement of farm families away from farms to urban areas, and the shift in the type of meat farmers produce for own use. The improved accessibility of community cold-storage locker facilities and deep freeze storage units in the farm home have permitted farmers to produce more beef for own use than they did in the past and less pork.

On the upswing, the production response is much more rapid for pork than for beef. Two litters of hogs can be produced each year, and hogs mature much more rapidly than do cattle.

A smoothing out of seasonal changes in supplies and consumption also occurred for pork during the postwar years. In large part, this has been effected by farmers having hog farrowings spaced out a little longer during the fall and spring seasons, and by an increase in the size of the fall crop relative to the spring crop. The fall crop is the smaller one in each year.

Civilian per capita consumption of veal and of lamb and mutton declined in the immediate postwar years, rose between 1952 and 1954, and then drifted downward again. The downtrend starting in 1955 was much sharper for veal than for lamb and mutton. Beef calves were increasingly being retained to build up herds, there were fewer dairy calves because of the downtrend in dairy cow numbers, and consumer demand for beef encouraged producers to retain beef calves to maturity as steers. Veal consumption in the postwar years ranged from a high of around 11 pounds in 1947 to a record low of 5.7 pounds in 1959. For lamb and mutton the postwar range in annual consumption was from 6.7 pounds per person in 1946 to a record low of 3.4 pounds in 1951.

Seasonal changes in consumption of veal are small, although consumption has usually been largest in the summer. Most of the calves are born in the spring, and summertime marketings often push veal production during this quarter above other months of the year. For lamb and mutton there is little seasonal variation in consumption.

Canned meat consumption per person increased noticeably in the postwar period. In 1946 apparent consumption of the canned products was 8.0 pounds (product weight) per person. 3/ After dipping to 7.2 pounds in 1947 and again in 1949, consumption once more trended upward, reaching the record rate of 11.0 pounds in 1956. In recent years canned meat consumption has been moderately below the peak.

There probably have been important changes in the consumption of other forms of processed meats and foods containing meats. New items have been introduced in the market during the postwar period (apparently with some success), while consumption of some other forms of processed meats and meat-containing products has declined. Separate data are not available for these "other" forms in which meats reach the consumer. Canned meats and meat products are produced for the most part in Federally-inspected meat processing plants, and detailed data on production in these plants are reported regularly. Some of the "other" processed meats are not produced under Federal inspection; in recent years output of these products at Federally-inspected facilities has increased considerably. The latter may in large part reflect a change in the geographical area serviced by meat packers, particularly the smaller ones--from intra-state to interstate markets.

Why the Changes in Consumption Occurred

There are many reasons underlying the changes in meat consumption in the postwar period. The reasons are usually summarized in two words "demand" and "supply." Actually they represent the effects of many interrelated and complex economic, social and technological factors. This section discusses briefly some of the major ones.

Income

Income is among the most important factors influencing the demand for meat. Results of a nationwide survey of households made by the U. S. Department of Agriculture in a week in spring 1955 substantiate data from other sources that the average quantity of meat consumed at home per person tends to be higher at higher levels of income. This reflected mainly the pattern for beef, veal and lamb, since that of pork fluctuated over the income scale. (In general, beef is higher than pork on the scale of consumer preferences for meat.) The survey also indicated that at higher levels of income, families tended to use the more expensive types of meat, the more expensive cuts of meat within each type, and that they paid more per pound for the same cut. The latter probably reflects price differences due to the type of store shopped for the meat, and the amount of services -- such as trimming and boning -- purchased with the meat, as well as better grades.

3/ The meat components of these products are included in the data by class of meat. See table 4.

In the postwar period average income has trended upward both in terms of dollars and purchasing power. There has been an upward shift in the distribution of the population by income size. The changes in the level and distribution of the population by income are the result, among other things, of the large number of persons gainfully employed, the higher proportion than prewar of married women who are gainfully employed, shifts in location of manufacturing facilities, the uptrend in wage rates and salaries, and the smoothing out of regional differences in wage rates.

The improved income situation has made consumers better able, financially, to purchase more and higher priced meats. However, as best as it can be measured, the retail value of meat consumed 4/ has declined in recent years in relation to disposable personal income because the latter increased at a more rapid rate than the former. (Table 5.) Before World War II (1935-39) and in the immediate postwar period (1947-49) the estimated retail value of meat consumed per person was equivalent to around 6 percent of disposable personal income. Since the late 1940's the proportion declined steadily and by 1959 was equivalent to 4.8 percent of income.

Custom and Habit

Custom and habit also have an important influence on the type and cut of meat people consume. These factors tend to have a moderating effect on shifts in meat consumption patterns. For example, even though postwar improvement in the level of income and the upward shift in the distribution of the population by income in the South have been substantial, consumption of pork in the home is higher there than in any other region. Another example relates to veal and lamb, domestic consumption of which is geographically highly concentrated.

Food customs and habits tend to change relatively slowly. Consumers' curiosity and interest in different types and cuts of meats are influenced by nutrition education, advertising and observation. An improved income situation for the family makes possible the satisfaction of this curiosity.

Other Factors Affecting the Postwar Demand for Meat

Modern refrigeration equipment in marketing channels and improvements in transportation have made various types and cuts of meat available to consumers in good condition throughout the country and throughout the year. Automobiles and improved roads have made modern retail food establishments accessible to consumers in areas where transportation formerly was a limiting factor. Modern refrigeration equipment for use in the home has made it possible for consumers to keep meat in satisfactory condition between shopping ventures or

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4/ Calculated on the assumption that all meat consumed had been purchased at retail and consumed in the home. No specific allowance is made for meat produced for personal use or obtained without direct expense, or for quantities consumed in public or private eating places away from home.

Table 6.--Meat production, carcass weight, by kinds, 1935-39 average and 1946-59

Year	Total meat	Beef	Veal	Lamb and mutton	Pork
	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.
1935-39 average	16,182	6,937	1,038	870	7,337
1946	22,920	9,373	1,443	968	11,136
1947	23,338	10,432	1,605	799	10,502
1948	21,300	9,075	1,423	747	10,055
1949	21,662	9,439	1,334	603	10,286
1950	22,075	9,534	1,230	597	10,714
1951	21,898	8,837	1,059	521	11,481
1952	22,994	9,650	1,169	648	11,527
1953	24,688	12,407	1,546	729	10,006
1954	25,214	12,963	1,647	734	9,870
1955	26,896	13,569	1,578	758	10,991
1956	28,053	14,462	1,632	741	11,218
1957	26,924	14,211	1,528	707	10,478
1958	25,747	13,342	1,189	688	10,528
1959 1/	27,472	13,608	1,016	738	12,110

1/ Preliminary.

for much longer periods of time. The number of persons having automobiles has increased considerably, as has those having electric refrigerators and deep-freeze storage units in the home.

All of these factors -- improvement in income status, and technological improvements in the meat distribution channels and in the home -- have favorably influenced the consumer demand for meat in the post-World War II period. Accompanying changes on the supply side have made possible the satisfaction of this demand.

Supply Factors

Total meat production in 1947-49 averaged 22.1 billion pounds a year, over a third greater than the prewar (1935-39) average. (Table 6.) In 1959 output totaled 27.5 billion pounds, a little less than the record quantity of 28.1 billion pounds produced in 1956. Heavy imports have supplemented domestic supplies of meat, particularly in 1958 and 1959 when the demand for the processing grades of beef could not fully be satisfied by domestic production.

The increases in meat output have been effected mainly by better use of existing facilities -- large and relatively low priced feed and fodder supplies, and through improvements in breeds of meat animals and in animal husbandry practices. In addition, changes in husbandry practices have tended to smooth out seasonal variations in meat supplies during the year.

Among the beef supply gains accruing from improvement of the breed, the most important has been the fact that over the years an increasing proportion of our supplies have come from beef cattle and less from dairy cattle. A larger proportion and higher quality of meat can be obtained from beef than from dairy cattle. Much publicized has been the introduction and increase in numbers of cross breeds of Brahma and meat-type cattle in the southern part of the country. This type of animal -- physically tolerant of high temperatures -- is successfully raised in areas which traditionally have been beef-deficit areas dependent on distant sources for supplies. Among hogs, improvement of breed practices have centered on developing and popularizing the use of meat-type animals. To date progress has been slow, but steady.

Improvement in animal husbandry practices and in wider application of these practices has been manifested primarily in higher yields of meat from beef cattle, larger and relatively healthier crops of hogs, and in a smoothing out of the seasonal pattern of production of beef and pork.

Prospects point to continued large output of meat in the years ahead. Existing meat production capabilities exceed the current level of output, and research continues in the development of better breeds of meat animals and better methods of raising them. The continuing research in the area of new product development will likely result in more efficient use of meat supplies by consumers.

SELECTED RECENT ARTICLES, REPORTS, AND SPEECHES PERTAINING TO FOOD CONSUMPTION DATA AND ANALYSES 1/

Consumption and Demand

"Food Consumption and Dietary Levels of Households With Employed and Nonemployed Homemakers," by Janet Murray. Family Economics Review, June 1960. Pp. 9-13. [Based on Report No. 15 of the 1955 Household Food Consumption Survey. See box below.] 2/

"Potential Demand for Farm Products Over the Next Quarter Century," paper presented by Nathan M. Koffsky to seminar on Dynamics of Land Use, Ames, Iowa, May 3, 1960. 10 pp.

"Changing Patterns in Dairy Products Consumption," speech by Mardy Myers before the Dairy Technology Conference, University of Illinois, Urbana, Illinois, April 13, 1960. 7 pp.

"Trends in the Consumption of Citrus Fruits," by Ben H. Pubols, The Fruit Situation, TFS-135, June 1960. Pp. 24-33.

Homemakers' Use of and Opinions About Eggs, by Margaret Weidenhamer. Marketing Research Report No. 405, July 1960. 77 pp.

Meat Consumption Trends and Patterns, Consumption Section, Agricultural Economics Division, Agricultural Marketing Service. Agriculture Handbook No. 187, July 1960. 67 pp.

Consumption of Processed Farm Foods in the United States, by Marguerite C. Burk, Marketing Research Report No. 409, June 1960. 47 pp.

Milk Consumption by Children at School and at Home in Relation to Special Milk Program, by Kenneth E. Anderson and William S. Hoofnagle. Marketing Research Report No. 408, June 1960. 19 pp.

Consumer Preferences Among Pulp-Fortified and Unfortified Grapefruit Juices From Red and White Fruit, by J. Scott Hunter. Marketing Research Report No. 398, May 1960. 23 pp.

Fluid Milk and Cream Consumption in Selected Marketing Areas, 1956-58, by L. W. Haynes and P. D. Weber. Da 1-3-1(60), May 1960. [Continues and expands similar information published in Statistical Bulletins Nos. 168 and 226 issued in January 1956 and in April 1958.]

Prospective Demand for Milk and Milk Products in the South, by J. C. Purcell, Southern Cooperative Series Bulletin 68, October 1959, 79 pp. 3/

Food Marketing, Prices and Other

"Progress in Quality Improvement -- 1960," talk by H. L. Forest at Annual Meeting of American Dry Milk Institute, Chicago, Illinois, April 21-22, 1960. 5 pp. [Deals with processed milk only.]

"Consumer Prices and Processed Food," a paper by Wendell E. Clement for presentation before the 15th Annual Food and Nutrition Institute, Tuskegee Institute, Alabama, March 11, 1960. 9 pp.

Nonfat Dry Milk Packaged for Household Use, Marketing Practices and Costs of Manufacture and Distribution, by Margaret R. Purcell. Marketing Research Report No. 403, June 1960. 49 pp.

Sharing America's Abundance (Operation of the Direct Distribution Program, Making U. S. Surplus Foods Available to People at Home and Around the World), U. S. Department of Agriculture, May 1960. 8 pp.

Developments in Marketing Spreads for Agricultural Products in 1959, Marketing Economics Research Division, U. S. Department of Agriculture, AMS-374, May 1960. 32 pp. [Reprinted from Hearings (Part 2) before the Subcommittee of the Committee on Appropriations, House of Representatives, Eighty-sixth Congress, Second Session.]

Prices Received by Farmers for Beef Cattle, United States and by States, Monthly and Annual Average, 1909-59, Crop Reporting Board, U. S. Department of Agriculture, Statistical Bulletin No. 265. May 1960. 74 pp.

Food for the Future -- Through Research, U. S. Department of Agriculture, Agriculture Information Bulletin No. 220, April 1960. 31 pp.

Economic Inquiry into Food Marketing: Part I. Concentration and Integration in Retailing, Staff Report to the Federal Trade Commission, January 1960. 338 pp. 4/

1/ Selected on basis of usefulness for economic analysis of food consumption patterns and trends. Unless otherwise indicated, single copies of the publications may be obtained from the Marketing Information Division, Agricultural Marketing Service, U.S.D.A., Washington 25, D. C.

2/ Available from Household Economics Research Division, Agricultural Research Service, U.S.D.A., Washington 25, D. C.

3/ Copies may be obtained from the Georgia Agricultural Experiment Station, Experiment, Georgia.

4/ For sale by Superintendent of Documents, Government Printing Office, Washington 25, D. C., $1.25.

Food Consumption and Dietary Levels of Households as Related to Employment of Homemaker, United States -- by Region, 1955 Household Food Consumption Survey Report No. 15, May 1960, is now available from the Office of Information, United States Department of Agriculture, Washington 25, D. C., as were the first 14 reports of the series. The first 5 deal with food consumption; Reports 6-10, with dietary levels; Report 11, with home freezing and canning; Report 14 with food consumption and dietary levels of households as related to the age of homemaker. The reports include data for the United States and for the Northeast, the North Central Region, the South, and the West.

Table 7.--Production of major food commodities, calendar years, 1935-39 and 1947-49 averages, 1957-59 and preliminary estimates for 1960, with percentage comparisons 1/

Commodity	Unit	Average 1935-39	Average 1947-49	1957	1958	1959 Preliminary 2/	Preliminary estimates for 1960 2/ 3/	1960 as a percentage of 1935-39	1960 as a percentage of 1947-49	1960 as a percentage of 1959
Meats (carcass weight)										
Beef	Mil.lb.	6,937	9,649	14,211	13,342	13,608	14,650	211	152	108
Veal	Mil.lb.	1,038	1,454	1,528	1,189	1,016	1,100	106	76	108
Lamb and mutton	Mil.lb.	870	716	707	688	738	750	86	105	102
Pork (excluding lard)	Mil.lb.	7,337	10,281	10,478	10,528	12,110	11,400	155	111	94
Total meats	Mil.lb.	16,182	22,100	26,924	25,747	27,472	27,900	172	126	102
Fish (edible weight)										
Fresh and frozen	Mil.lb.	615	706	653	675	647	4/	---	---	---
Canned 5/	Mil.lb.	337	484	443	508	435	4/	---	---	---
Cured	Mil.lb.	74	70	66	60	58	4/	---	---	---
Total fish	Mil.lb.	1,026	1,260	1,162	1,243	1,140	1,075	105	85	94
Poultry and eggs										
Eggs 6/	Mil.doz.	3,335	5,086	5,389	5,362	5,460	5,250	157	103	96
Chicken (ready-to-cook) 6/	Mil.lb.	1,730	2,753	4,409	5,022	5,215	5,300	306	193	102
Turkey (ready-to-cook) 6/	Mil.lb.	288	492	1,031	1,022	1,086	1,125	391	229	104
Dairy products										
Total milk 7/	Bil.lb.	105.9	116.3	125.9	124.9	124.4	126.5	119	109	102
Cheese 8/	Mil.lb.	673	1,160	1,407	1,395	1,379	1,420	211	122	103
Condensed and evaporated milk	Mil.lb.	2,225	3,497	2,873	2,749	2,751	2,690	121	77	98
Ice cream (product weight)	Mil.lb.	1,279	2,758	3,123	3,152	3,363	3,450	270	125	103
Fats and oils										
Butter, farm and factory (actual weight)	Mil.lb.	2,195	1,611	1,551	1,510	1,435	1,525	69	95	106
Lard 9/	Mil.lb.	1,630	2,419	2,559	2,441	2,803	2,575	158	106	92
Margarine (actual weight)	Mil.lb.	372	839	1,463	1,573	1,611	1,700	457	203	106
Shortening	Mil.lb.	1,529	1,434	1,808	2,006	2,250	2,275	149	159	101
Cooking and salad oils 10/	Mil.lb.	4/	4/	4/	4/	1,751	1,750	---	---	100
Other edible fats and oils 11/	Mil.lb.	2,157	3,912	6,746	7,005	8,132	8,100	376	207	100
Total fats and oils (fat content) 12/	Mil.lb.	5,554	7,627	10,554	10,662	12,090	11,903	214	156	98
Fruits										
Fresh:										
Citrus	Mil.lb.	6,875	8,782	7,404	6,118	6,816	7,200	105	82	106
Apples (commercial)	Mil.lb.	4,385	3,791	3,908	4,058	3,743	3,600	82	95	96
Other (excluding melons)	Mil.lb.	4,661	4,504	3,998	4,186	4,248	4,100	88	91	97
Processed:										
Canned fruit	Mil.lb.	1,710	2,597	3,443	3,347	3,952	3,600	211	139	91
Canned fruit juices	Mil.lb.	333	2,230	2,278	2,033	2,110	2,150	646	96	102
Frozen (including juice)	Mil.lb.	106	416	1,609	1,360	1,702	1,600	1,509	385	94
Dried	Mil.lb.	1,118	962	715	601	779	750	67	78	96
Vegetables										
Fresh vegetables and melons 13/	Mil.lb.	18,565	22,565	23,981	24,933	24,195	24,775	133	110	102
Fresh vegetables	Mil.lb.	14,980	18,504	19,641	19,780	19,724	19,995	133	108	101
Melons	Mil.lb.	3,585	4,061	4,340	5,153	4,471	4,780	133	118	107
Canned	Mil.lb.	4,034	6,088	7,748	8,284	7,607	7,600	188	125	100
Frozen	Mil.lb.	14/77	448	1,359	1,428	1,621	1,750	2,273	391	108
Potatoes	Mil.cwt.	213	248	240	266	243	255	120	103	105
Sweetpotatoes	Mil.cwt.	37	25	17	17	19	15	41	60	79
Dry edible beans 15/	Mil.lb.	1,360	1,854	1,563	1,918	1,821	1,730	127	93	95
Dry field peas 15/	Mil.lb.	229	401	333	249	438	330	144	82	75
Sugar, raw basis	1,000 short tons	1,948	2,065	2,561	2,815	2,822	3,075	158	149	109
Grains										
Wheat	Mil.bu.	759	1,251	951	1,462	1,128	1,347	177	108	119
Rye	Mil.bu.	44.9	23.1	27.2	32.2	21.5	29.6	66	128	138
Rice, milled	Mil.lb.	1,340	2,333	3,020	2,754	2,804	3,337	249	143	119
Corn, grain only	Mil.bu.	2,050	2,788	3,073	3,442	3,989	3,700	180	133	93
Oats	Mil.bu.	1,045	1,294	1,301	1,416	1,074	1,140	109	88	106
Barley	Mil.bu.	239	279	437	475	420	427	179	153	102
Peanuts, farmers' stock basis	Mil.lb.	1,230	2,128	1,436	1,836	1,602	4/	---	---	---

1/ Calendar year basis except for fresh citrus fruit for which the season begins in the fall of the previous year; dried fruits on a pack year beginning year indicated; rice on a marketing year ending year indicated. 2/ Excludes Alaska and Hawaii. 3/ Preliminary estimates based on trends in livestock numbers, current or prospective rates of output, average or probable acreages and yields, and such other data or advance estimates as are available. These estimates are used only to indicate the general level of food supplies for domestic consumption for 1960, but they are based on such official estimates of production as are available at this time. Revisions will of course be made from time to time throughout the year as official indications or estimates are issued through the Crop Reporting Board of the Department. 4/ Not available. 5/ Excludes products containing small quantities of fish, such as clam chowder, etc. 6/ Includes an allowance for nonfarm production. 7/ Includes an allowance for nonfarm production declining from 2.3 billion pounds in 1935-39 to zero in 1956. 8/ Excludes full skim, cottage, pot, and bakers' cheese. 9/ Includes amount used in manufactured food and nonfood products. 10/ Fully processed liquid vegetable oils. Including use in mayonnaise and salad dressings, potato products, bakery products, and in fish canning, etc. 11/ Includes cottonseed, peanut, soybean, corn, edible olive, and oleo oils; oleo stock, oleostearine, and edible tallow later processed into margarine, shortening, cooking and salad oils, etc., and nonfood items. 12/ Includes butter, lard, and "other edible fats and oils." 13/ This series covers total commercial production for sale as fresh both for shipments to distant markets and for local markets; includes quantities not harvested. Excludes farm garden output for farm household use. 14/ Average 1937-39. Data prior to 1937 are not available. 15/ Cleaned basis.

Table 8.--Retail food price indexes and total Consumer Price Index, United States, 1950-57 and 1958-60 by months

(Index numbers, 1947-49=100)

Year and month	Meats 1/	Eggs	Dairy products 2/	Fats and oils 3/	Cereals and bakery products	Fruits and vegetables	Sugar and sweets	Beverages	All foods 4/	Consumer Price Index
1950	105	85	96	80	104	98	102	153	101	103
1951	117	104	107	94	114	107	106	169	113	111
1952	116	95	112	79	117	117	106	170	115	114
1953	110	100	110	80	119	114	108	174	112	114
1954	108	84	106	84	122	112	110	207	112	115
1955	102	87	106	81	124	114	112	186	110	114
1956	97	86	109	83	126	119	110	194	110	116
1957	105	82	112	87	130	119	113	193	114	120
1958	115	86	114	86	133	127	118	179	119	124
Jan.	110	88	115	86	132	122	114	185	117	122
Feb.	112	81	114	86	133	124	114	185	117	122
Mar.	114	91	114	86	133	131	114	183	120	123
Apr.	116	84	112	86	133	137	117	182	120	124
May	117	81	112	86	133	137	118	181	120	124
June	118	79	112	86	133	134	119	181	120	124
July	119	82	112	86	133	132	120	180	120	124
Aug.	118	87	113	86	133	125	120	178	119	124
Sept.	116	98	114	86	134	121	120	175	119	124
Oct.	115	91	114	86	134	121	120	174	118	124
Nov.	114	90	114	85	134	121	120	174	118	124
Dec.	113	84	114	85	134	120	120	171	117	124
1959	111	76	114	82	134	125	120	163	116	125
Jan.	114	83	114	85	134	122	120	169	117	124
Feb.	113	80	114	84	134	121	120	165	116	124
Mar.	111	78	114	83	134	121	120	165	116	124
Apr.	112	69	113	82	134	124	120	164	115	124
May	112	64	113	82	134	126	120	162	115	124
June	112	63	112	82	134	134	120	161	117	124
July	112	75	113	82	134	131	121	161	117	125
Aug.	110	77	114	82	134	126	121	161	116	125
Sept.	110	83	116	81	134	124	121	161	116	125
Oct.	109	81	116	80	134	124	121	162	116	126
Nov.	108	79	116	80	134	123	121	161	115	126
Dec.	107	76	117	80	134	126	121	161	115	126
1960										
Jan.	106	73	116	79	135	126	121	162	115	125
Feb.	106	68	116	78	135	126	121	161	114	126
Mar.	107	70	116	77	136	125	121	161	115	126
Apr.	109	79	115	78	136	130	121	162	117	126
May	110	75	115	77	136	133	121	162	117	126
June	110	73	115	77	136	136	121	163	118	126

1/ Includes chicken and fish.
2/ Includes butter.
3/ Excludes butter.
4/ Includes only foods consumed at home.

Bureau of Labor Statistics.

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U. S. Department of Agriculture
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The NATIONAL FOOD SITUATION

NFS-94

In this issue:
The World Food Situation
Postwar Trends in Vegetable Consumption

AMS

Approved by the Outlook and Situation Board, November 3, 1960

SUMMARY

Food supplies through 1961 will be a little larger than this year. Consumer demand is expected to remain strong, and food consumption per capita will likely be about the same as in 1960. With supplies a little larger and marketing margins generally about the same, retail food prices in 1961 are expected to average close to those of this year.

Food production in 1960 was record or near-record large. Part of these foods will be consumed next year. With normal weather, large crops of many foods can be expected in 1961. Increased production is expected for beef, milk, and poultry meat. Hog production is expected to expand during 1961, and pork supplies are expected to start showing increases over a year earlier sometime after mid-1961.

General economic activity and employment will likely be well maintained in the coming year. Accordingly, the flow of income to consumers is expected to continue high. This will be reflected in the demand for food.

Among the individual major foods, civilians can expect to have more beef, veal and poultry meat per person than in 1960. Beef consumption per person may be at the all-time high of about 90 pounds. Pork consumption per person is likely to be at a lower rate than a year earlier during most of 1961, but consumption in

(Continued on page 3)

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Table 1.--Volume of farm marketings and home consumption and civilian per capita food consumption, 1935-39 average, 1952-59 and estimates for 1960, with percentage comparisons

(Index numbers, 1947-49=100)

Item	1935-39 average	1952	1953	1954	1955	1956	1957	1958	1959	1960 Preliminary 1/	1960 as a percentage of 1935-39	1960 as a percentage of 1959
Marketings and home consumption of all farm commodities 2/	73	104	108	108	112	117	112	120	123	126	173	102
Food grains 3/	54	98	98	92	81	90	78	109	103	113	209	110
Vegetables 4/	88	93	95	95	97	101	100	100	100	100	114	100
Fruit and nuts 5/	89	99	98	99	103	105	103	103	108	106	119	98
Sugar crops	106	93	105	117	107	107	122	120	133	132	125	99
Total food crops 6/	74	95	96	93	91	96	91	105	103	106	143	103
Meat animals	73	106	108	112	119	125	120	118	126	129	177	102
Poultry and eggs	63	117	118	124	122	134	137	144	149	149	237	100
Dairy products	88	100	104	106	107	110	111	110	110	112	127	102
Total food livestock 7/	75	107	109	112	116	123	121	121	126	128	171	102
Food marketings and home consumption.	75	104	106	108	110	116	113	117	120	123	164	102
Civilian per capita food consumption ..	91	100	101	101	102	104	102	101	103	103	113	100

1/ Estimates for 1960 are based on calendar-year quantities estimated as of October 1, 1960. 2/ Food and nonfood items. 3/ Wheat, rye, rice, and buckwheat. 4/ Truck crops for fresh use and processing, potatoes, sweetpotatoes, dry edible beans, dry field peas, mung beans. 5/ Except peanuts. 6/ In addition to the crops listed above, includes peanuts, peppermint, popcorn, spearmint, and vegetables grown under glass. 7/ Also includes honey, but excludes turkey hatching eggs.

Table 2.--Index of supply-utilization of farm food commodities, 1935-39 and 1947-49 averages, and 1950-60 1/

Year	Production	Imports	Stock change 2/	Total utilization	Domestic use: Food: Civilian	Domestic use: Food: Military 3/	Domestic use: Nonfood 4/	Domestic use: Total	Commercial exports and shipments to Territories 5/	Department of Agriculture export program: Stock change 6/	Department of Agriculture export program: Deliveries 7/	Department of Agriculture export program: Net purchases 8/
				Section a. Percentage of total utilization in each year								
1935-39	93.9	8.2	-2.1	100.0	67.8	---	30.1	97.9	2.1	---	---	---
1947-49	95.5	6.5	-2.0	100.0	64.8	2.7	27.8	95.3	2.8	---	1.9	1.9
1950	94.6	7.0	-1.6	100.0	65.2	1.4	28.8	95.4	3.2	-0.1	1.5	1.4
1951	90.0	6.9	3.1	100.0	62.8	2.7	28.2	93.7	4.6	9/	1.7	1.7
1952	94.8	7.0	-1.8	100.0	65.4	2.1	27.0	94.5	5.2	9/	.3	.3
1953	95.5	7.3	-2.8	100.0	66.6	1.9	26.6	95.1	4.4	9/	.5	.5
1954	96.3	6.4	-2.7	100.0	67.3	1.6	25.7	94.6	5.0	9/	.4	.4
1955	95.7	6.5	-2.2	100.0	66.9	1.4	25.2	93.5	5.7	9/	.8	.8
1956	94.7	6.4	-1.1	100.0	66.0	1.3	24.8	92.1	7.1	9/	.8	.8
1957	94.9	6.5	-1.4	100.0	66.2	1.2	24.3	91.7	7.6	9/	.7	.7
1958	98.7	6.7	-5.4	100.0	65.2	1.2	26.1	92.5	6.7	9/	.8	.8
1959 10/	94.8	7.2	-2.0	100.0	64.6	1.1	26.1	91.8	7.6	---	.6	.6
1960 11/	94.7	6.7	-1.4	100.0	65.2	1.1	25.6	91.9	7.5	---	.6	.6
				Section b. Percentage of total utilization in 1947-49								
1935-39	71.8	6.3	-1.6	76.5	51.8	---	23.1	74.9	1.6	---	---	---
1947-49	95.5	6.5	-2.0	100.0	64.8	2.7	27.8	95.3	2.8	---	1.9	1.9
1950	95.9	7.1	-1.6	101.4	66.1	1.5	29.2	96.8	3.2	-.1	1.5	1.4
1951	94.3	7.2	3.2	104.7	65.7	2.9	29.5	98.1	4.8	9/	1.8	1.8
1952	98.6	7.3	-1.9	104.0	68.0	2.2	27.9	98.1	5.5	9/	.4	.4
1953	100.0	7.7	-2.9	104.8	69.8	2.0	27.8	99.6	4.7	9/	.5	.5
1954	101.3	6.8	-2.9	105.2	70.8	1.7	27.0	99.5	5.2	9/	.5	.5
1955	104.9	7.1	-2.4	109.6	73.4	1.5	27.6	102.5	6.2	9/	.9	.9
1956	109.2	7.3	-1.2	115.3	76.1	1.5	28.6	106.2	8.2	9/	.9	.9
1957	108.8	7.4	-1.6	114.6	75.8	1.4	27.8	105.0	8.8	9/	.8	.8
1958	114.2	7.8	-6.3	115.7	75.5	1.4	30.2	107.1	7.7	9/	.9	.9
1959 10/	115.2	8.8	-2.5	121.5	78.5	1.3	31.7	111.5	9.2	---	.8	.8
1960 11/	115.6	8.2	-1.7	122.1	79.6	1.3	31.3	112.2	9.1	---	.8	.8

1/ Covers farm commodities normally used for food in the United States, including their nonfood use. Relationships were developed from quantative data on supply and use of unprocessed and processed farm products multiplied by average prices in 1947-49. All values were adjusted to farm values. For methodology see Agriculture Handbook 91, Measuring the Supply and Utilization of Farm Commodities, New Indexes, 1924-54. 2/ Includes farm and commercial stocks and holdings under price support programs. Minus sign means an addition to stocks; plus sign means a withdrawal from stocks. 3/ Includes civilian feeding in areas occupied by our Armed Forces. 4/ Includes seed, feed, alcoholic beverages, industrial alcohol, etc. 5/ Excludes deliveries by the Department of Agriculture. 6/ Stocks held for export. Here, minus sign means a withdrawal from stocks; plus sign means an addition. 7/ Shipments out of this country. 8/ Represents net quantities withdrawn from domestic commercial channels. 9/ Less than 0.05 percent. 10/ Preliminary. 11/ Indication.

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the closing months of the year may exceed year-earlier levels. Small increases are expected for margarine and frozen vegetables. Some reductions from 1960 per capita levels are indicated for dairy products, eggs, and canned juices. Little change is expected in civilian per capita consumption of other major foods.

Indications for this fall and winter point to the following changes from a year earlier: More beef, veal and lamb per capita, but less pork. There will be about as much fresh citrus, but fewer apples and pears. Supplies of tree nuts will be very large. There will be more potatoes and fewer sweetpotatoes per capita. Retail food prices will decline seasonally this fall and early winter, though remaining a little above those of a year earlier.

Supplements for 1959 are available for Agriculture Handbook 91, Measuring the Supply and Utilization of Farm Products and for Agriculture Handbook 62, Consumption of Food in the United States. These publications revise and bring through 1959 the statistical series given in the respective Supplements for 1956. They supersede the Supplements for 1958. Copies may be obtained from the Marketing Information Division, Agricultural Marketing Service, USDA, Washington 25, D. C.

Table 3.--Apparent civilian per capita consumption of major food commodities, primary distribution weight, calendar years, 1935-39 and 1947-49 averages, 1957-59 and estimates for 1960, with percentage comparisons 1/

Commodity	Average 1935-39	Average 1947-49	1957	1958	1959 2/	1960 Preliminary 2/	1960 as a percentage of 1935-39	1960 as a percentage of 1947-49	1960 as a percentage of 1959
	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Percent	Percent	Percent
Meats (carcass weight) - Total	127.0	148.5	159.1	152.0	160.1	161.3	127	109	101
Beef	55.6	65.6	84.6	80.5	81.6	85.8	154	131	105
Veal	8.1	9.7	8.8	6.7	5.7	6.3	78	65	111
Lamb and mutton	6.8	4.8	4.2	4.1	4.5	4.6	68	96	102
Pork (excluding lard)	56.5	68.4	61.5	60.7	68.3	64.6	114	94	95
Fish (edible weight) - Total	11.0	10.5	10.1	10.7	10.7	10.6	96	101	99
Fresh and frozen	5.4	6.0	5.6	5.9	5.9	3/	---	---	---
Canned 4/	4.9	3.9	3.9	4.2	4.2	3/	---	---	---
Cured	.7	.6	.6	.6	.6	3/	---	---	---
Poultry products									
Eggs (farm basis) - Number	300	385	358	349	347	325	108	84	94
Chicken (ready-to-cook)	13.4	18.7	25.5	28.3	28.8	29.2	218	156	101
Turkey (ready-to-cook)	2.2	3.3	5.9	5.8	6.0	6.0	273	182	100
Dairy products									
Total milk fat solids	31.7	29.6	26.3	26.1	25.6	25.1	79	85	98
Total nonfat milk solids	39.6	46.2	47.9	47.0	47.7	47.5	120	103	100
Cheese	5.6	7.0	7.7	8.2	8.1	8.3	148	119	102
Condensed and evaporated milk	16.8	20.1	15.4	14.8	14.4	13.6	81	68	94
Fluid milk and cream	330	359	350	343	341	340	103	95	100
Ice cream (product weight)	9.9	18.7	18.0	17.8	18.7	18.4	186	98	98
Fats and oils - Total, fat content 5/	45.4	42.4	44.5	46.1	45.9	45.8	101	108	100
Butter, farm and factory (actual weight)	17.0	10.6	8.5	8.4	8.0	7.8	46	74	98
Margarine (actual weight)	2.9	5.6	8.6	9.0	9.2	9.6	331	171	104
Lard	11.0	12.4	9.5	9.7	9.0	8.5	77	69	94
Shortening	11.8	9.6	10.4	11.3	12.6	12.7	108	132	101
Other edible fats and oils	6.5	7.3	10.8	11.0	10.6	10.6	163	145	100
Cooking and salad oils 6/	3/	3/	3/	3/	9.7	9.6	---	---	99
Other edible	3/	3/	3/	3/	.9	1.0	---	---	111
Fruits									
Fresh (farm weight) - Total	139.0	132.2	99.3	97.8	101.5	99	71	75	98
Citrus	49.2	54.8	37.0	30.9	33.9	34	69	62	100
Apples (commercial)	30.6	25.6	19.3	22.5	21.9	19.6	64	77	89
Other (excluding melons)	59.2	51.8	43.0	44.4	45.7	45	76	87	98
Processed:									
Canned fruit	15.0	18.9	22.4	22.7	22.0	23.4	156	124	106
Canned juices	3.9	15.9	13.2	12.8	11.4	12.2	313	77	107
Frozen (including juices)	.8	3.2	9.0	7.9	8.8	9.3	1,162	291	106
Dried	5.8	3.9	3.6	3.0	3.2	3.2	55	82	100
Vegetables									
Fresh vegetables and melons (farm weight) 7/	140.2	147.8	130.3	129.0	125.2	126.8	90	86	101
Fresh vegetables	113.2	120.4	104.8	102.1	99.6	100.5	89	83	101
Melons	27.0	27.4	25.7	26.9	25.6	26.3	97	96	103
Canned	30.1	39.2	43.9	44.8	44.9	45.0	150	115	100
Frozen	8/.4	2.9	7.5	8.1	8.9	9.3	2,325	321	104
Potatoes (farm weight)	130	114	106	101	100	103	79	90	103
Sweetpotatoes (farm weight)	21.6	12.6	7.2	6.7	7.0	6.2	29	49	89
Dry edible beans	8.8	6.7	7.5	7.7	7.6	7.6	86	113	100
Dry field peas	.6	.6	.6	.2	.3	.4	67	67	133
Sugar, refined	97.4	95.1	97.0	98.1	97.7	98	101	103	100
Grains									
Corn products: Cornmeal	23.1	12.9	8.0	7.6	7.5	7.4	32	57	99
Corn sirup	7.7	9.9	8.9	9.5	9.9	10.0	130	101	101
Cornstarch	1.3	1.8	1.9	1.9	1.9	1.9	146	106	100
Corn sugar	2.7	4.2	3.2	3.7	3.9	3.8	141	90	97
Breakfast cereals	1.6	1.5	1.7	1.8	1.8	1.8	112	120	100
Hominy	1.4	2.8	2.8	3.0	3.0	3.0	214	107	100
Oat food products	3.9	3.3	3.4	3.5	3.5	3.5	90	106	100
Barley food products 9/	1.4	1.6	1.0	1.0	1.0	1.0	71	62	100
Wheat: Flour 10/	160	137	119	120	119	118	74	86	99
Breakfast cereals	3.3	3.2	2.8	2.8	2.7	2.7	82	84	100
Rye flour	2.3	1.4	1.2	1.2	1.2	1.2	52	86	100
Rice, milled	5.8	4.9	5.8	5.7	5.8	5.7	98	116	98
Beverages									
Coffee 11/	14.0	18.2	15.7	15.9	15.9	16.1	115	88	101
Tea	.67	.58	.61	.60	.60	.60	90	103	100
Cocoa beans	4.4	4.1	4.2	3.7	4.2	4.3	98	105	102
Peanuts (shelled)	4.3	4.4	4.5	4 5	4.7	4.6	107	105	98

1/ Quantity in pounds except for eggs which are stated in number. Data on calendar year basis except for dried fruits, which are on pack year basis; fresh citrus fruits, dry field peas, and peanuts on a crop year basis; rice on August 1, year; and canned fruits and vegetables on pack year basis in 1935-39. All years begin in year indicated except for fresh citrus, which begins in October of the previous year, and rice, which begins in August of previous year. 2/ Excludes Alaska and Hawaii. 3/ Not available. 4/ Excludes canned food products containing small quantities of fish, such as clam chowder, etc. 5/ Computed from unrounded data. 6/ Fully processed liquid vegetable oils. Including use in mayonnaise and salad dressings, potato products, bakery products, and in fish canning, etc. 7/ This series covers total commercial production for sale as fresh, both for shipment to distant markets and for local markets. Excludes farm garden output for farm household use. 8/ Average 1937-39. Data prior to 1937 are not available. 9/ Barley used for food products in terms of malt equivalent. 10/ Includes white, whole wheat, and semolina flour. 11/ Green bean basis.

Population estimates used to obtain per capita consumption figures are official Census estimates of civilian population.

RETAIL FOOD PRICES

Retail food prices averaged a little higher in January-September 1960 than in the same period of 1959. Food supplies were large and consumer demand relatively strong. Prices farmers received for food they marketed averaged less than 1 percent above those in January-September 1959 and marketing margins were about unchanged.

During the first three quarters of 1960, retail prices averaged noticeably lower than a year earlier for meats and fats and oils, and a little lower for beverages. These reductions were a little more than offset by increases for fruits and vegetables, dairy products, and the cereal and bakery products. Food prices are expected to remain above those of a year earlier during the seasonal downturn this fall and early winter.

Retail food prices in 1961 may average no higher than this year, reflecting the continued large supplies in prospect and continued high consumer income. With the population growing, total expenditures for food and associated services may be a little higher in 1961 than in 1960.

NUTRITIONAL REVIEW 1/

The nutritive value of the foods consumed per capita in this country in calendar year 1960 is not differing significantly from last year. (See table 4.) Important nutrients from major livestock products, notably protein, iron, and niacin (from meat), and calcium and riboflavin (from milk), remain at the 1959 per capita level or slightly lower. The increase in per capita consumption of citrus fruit -- chiefly the processed juices -- helped continue the trend of the past few years toward a higher level of ascorbic acid. The decrease in thiamine level from 1959 to 1960 is due mainly to the lower per capita consumption of pork. The reduction this year in vitamin A value reflects the decreases in egg and sweetpotato consumption.

Prospects for food supplies and consumption in 1961 indicate that the per capita nutrient level in this country will be about the same as for 1960.

1/ Prepared by the Institute of Home Economics, ARS.

Table 4.--Nutrients available for civilian consumption per capita per day 1935-39 and 1947-49 averages, 1958, 1959 and preliminary estimates for 1960, with percentage comparisons 1/

Nutrient	Unit	Average 1935-39	Average 1947-49	1958	1959	1960 preliminary	1960 as a percentage of 1935-39	1960 as a percentage of 1947-49	1960 as a percentage of 1959
Food energy	Cal.	3,310	3,270	3,180	3,220	3,200	97	98	99
Protein	Gm.	91	95	95	97	96	105	101	99
Fat	Gm.	133	142	146	149	148	111	104	99
Carbohydrate	Gm.	446	410	382	382	383	86	93	100
Calcium	Gm.	.94	1.04	1.02	1.03	1.03	110	99	100
Iron	Mg.	14.5	17.1	16.1	16.5	16.4	113	96	99
Vitamin A value	I.U.	8,200	8,200	7,200	7,200	7,000	85	85	97
Thiamine	Mg.	1.47	1.92	1.79	1.82	1.78	121	93	98
Riboflavin	Mg.	1.90	2.34	2.28	2.32	2.31	122	99	100
Niacin	Mg.	16.0	19.6	19.7	20.2	20.2	126	103	100
Ascorbic acid	Mg.	118	118	101	103	105	89	89	102

1/ Data computed by Institute of Home Economics, ARS, on the basis of estimates of apparent per capita consumption (retail basis), including estimates of produce of rural and urban home gardens, supplied by the Division of Agricultural Economics, AMS. No deduction has been made in nutrient estimates for loss or waste of food in households or for destruction or loss of nutrients during the preparation of food. Data for iron, thiamine, riboflavin, and niacin include the amounts of those nutrients added to prepared cereals, white flour, and bread.

COMMODITY REVIEWS

Meat

Civilian consumption of meat per person in the next several months is expected to remain somewhat smaller than a year earlier due to the sharp reduction for pork. Some increase is expected in 1961, particularly after midyear, with the average for the year as a whole likely to be around 4 pounds over the 161 pounds per capita estimated for 1960. Retail prices of meat this fall and well into the first half of 1961 are expected to average somewhat above the relatively low level of a year earlier.

Meat supplies will be somewhat lower this fall than last, though close to those in the same part of both 1957 and 1958. Compared with a year earlier, gains for beef, veal 2/, and lamb and mutton will be more than offset by the

2/ Including calf meat.

substantial decline for pork. Retail meat prices are expected to decline less than usual this fall, with the level for all meats combined likely to average moderately higher than last fall.

Somewhat more beef will be available this fall than last, with the increase likely to be greatest for the intermediate and the lower grades. Some increase in veal supplies is in prospect. Producers are expected to market for slaughter a greater proportion of this year's calf crop, which is the largest since 1956. The much smaller supplies of pork consumers will have this fall than last reflects the 16 percent reduction in the number of hogs raised last spring. The average slaughter weights of hogs will be up slightly, though not enough to offset much of the effect of the decline in numbers slaughtered.

Currently prospects for 1961 indicate that meat production will increase enough to permit civilians to consume 4 pounds more meat per person, on the average, than in 1960. The increase will be in beef, and to a much less extent in veal. Cattle slaughter is expected to be heavier than in 1960 throughout the year. On the other hand, pork supplies will continue appreciably below a year earlier through mid-1961. In the second half of next year, pork output will be somewhat larger than in July-December 1960, if the 1961 spring pig crop is expanded as now seems likely. Retail meat prices in 1961 may be about the same as this year, with a little lower average for beef about offsetting a little higher average for pork.

Beef consumption in 1961 is forecast at 89-90 pounds per person, 4 pounds more than estimated for this year and a record high. The increase in cattle numbers over the past 3 years may help to maintain beef supplies and consumption at very high levels for several years to come. Slaughter of fed cattle -- which provides the upper grades of beef -- will continue large next year, but most of the gain in beef output will come from increased slaughter of cows and other grass cattle. The increased supplies of the intermediate and lower grades of beef will likely mean reduced imports of the kinds of beef used in processing.

At about this stage of the cattle cycle -- the third or fourth year of increase -- calf slaughter usually shows a sizable gain. This could happen in 1961. However, only a modest gain in veal production is expected since a large proportion of the calf crop probably will again be withheld for herd expansion and feeding. Consumption of veal next year will likely be up a little from the 6.3 pounds per person estimated for 1960.

Lamb and mutton output may be about as large in 1961 as this year. With the civilian population a little larger than in 1960, per capita supplies and consumption of lamb and mutton will be somewhat lower.

Pork production in January-June 1961 will fall somewhat short of the year-earlier total but the difference may be small by midyear. This reflects the cutback in production for the 1960 spring crop and the early part of the fall crop. However, producers apparently are increasing the number of sows farrowing late fall and early 1961 spring pigs. Hence, pork production later in 1961 may climb above a year earlier. The gain in slaughter is expected to to be moderate, and pork output for the year will probably total only a little

larger than this year. Supplies per person are forecast at about the same level as in 1960.

Imports in 1960, which will continue to feature substantial receipts of meats for processing, will be down substantially from last year. A further reduction is expected in 1961. The decline in imports will largely reflect increases in domestic production of the lower grades of beef and some decline in supplies available for export to the United States by major exporters.

Fishery Products 3/

Civilian per capita consumption of food fishery products in the next several months may be a little lower than a year earlier. Supplies of the canned items are expected to be about the same, but those of the frozen products may be a little less plentiful. Retail prices of foods in this group probably will average moderately higher this fall and winter than last.

Total supplies of edible fish and shellfish through the coming winter may not be greater than a year earlier. For the fresh and frozen items, stocks were somewhat lower at the beginning of this fall than last, commercial landings will be at the seasonal low point of the year, and any increase in imports may not be large enough to close the gap in domestic supplies between this fall and winter, and last. Supplies of canned red salmon will be noticeably larger and those of California sardines (pilchards) somewhat greater than the unusually low ones of a year earlier. About as much canned tuna will likely be available as in the past year. Canned Maine sardines will be more plentiful this marketing year.

Exports of edible fishery products in the coming months may total no larger than in the same part of 1959-60. However, there may be some increase for canned red salmon and probably California sardines because of larger supplies this marketing season.

Poultry and Eggs

Smaller supplies of eggs than a year earlier, about unchanged supplies of turkey, but more broilers are in sight for the final quarter of 1960. Through the current quarter egg prices are likely to continue above 1959, but those of poultry meat may finish the year at a lower level, because neither broiler nor turkey prices are likely to repeat the sharp rises of December 1959. Poultry probably will be more plentiful and at lower average prices next year than in 1960, but egg supplies will be below 1960 for the first half year, and prices higher for about the first quarter.

Recent egg prices have risen from last year. In September the average price paid by urban consumers for grade A large eggs was 63 cents per dozen, compared with 58 cents per dozen for September of 1959. Wholesale prices for

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3/ Prepared in cooperation with the Bureau of Commercial Fisheries, U. S. Department of the Interior.

Grade A large eggs in eastern markets in October ranged generally above 50 cents per dozen, about 10 to 15 cents a dozen higher than a year earlier. Higher egg prices this fall than last result mainly from smaller production. The 374 million potential layers on farms October 1 were 4 percent fewer than last year, and egg production probably will continue below last year by about that percentage.

Reflecting this smaller production of eggs and the larger population, per capita egg consumption in 1960 is declining to about 325 eggs (an 18-year low), compared with 347 last year. In every month except one so far this year, per capita consumption of shell eggs was lower than in the corresponding 1959 month, even in the early months of 1960 when supplies were larger and prices lower than a year earlier.

Of the 325 eggs expected to be consumed per person in 1960, the equivalent of approximately 1 percent will be in the form of dried egg solids bought by USDA for distribution to School Lunches, needy persons and other eligible outlets.

The 1960 turkey crop slightly exceeds the 1959 record, 82.3 million birds compared with 82.1 million. Because there are fewer small turkeys in this year's crop, average weights will be higher. Available supplies will support an average per capita consumption of 6 pounds, the same as last year.

The seasonal timing of this year's turkey crop also differs from 1959. This year more turkeys were hatched for early slaughter -- to early October -- and fewer for later slaughter. This has been offset by the greater retention of early-slaughtered birds in storage. Stocks on October 1 were 183 million pounds, almost 50 million pounds above the year before. As a result, total supplies of holiday turkeys will be at last year's level. But there will be fewer small birds, so there may be a greater premium than usual for small turkeys.

In mid-October the general level of turkey prices was slightly higher than last year. Farmers' prices were then averaging 25.7 cents per pound, compared with 22.4 cents last October. But this year the 7 cent rise at the farm level which occurred from October to December 1959 is not expected.

In a purchase program that ended October 5, USDA bought 18.8 million pounds of frozen ready-to-cook turkeys for school lunches. Similar purchases last year amounted to 21.6 million pounds. In both years, this was about 2 percent of the crop.

Prices of broilers, the principal source of the chicken meat supply, have been declining seasonally in recent weeks, but at the farm level they remain above a year ago. Prospective supplies for the rest of 1960 also will decline seasonally, but less than last fall. The result is likely to be a further decline in broiler prices by year-end, in contrast to the December increase of 1959.

Farm chickens, which usually are seasonally abundant in the fall, have been relatively scarce this year. High egg prices have been a factor encouraging farmers to hold their hens longer for egg production before selling them for meat.

Broilers and farm chickens together with the dwindling number of backyard flocks will supply the average U. S. civilian with slightly more than 29 pounds of chicken, ready-to-cook basis, a little more than last year.

For the year ahead, poultry meat supplies are likely to continue even more abundant than in 1960, but eggs will be fewer through at least the first half of the year. Prices for all these commodities, except for eggs in the first quarter of the year, are likely to average lower than in 1960. The generally favorable 1960 prices to producers of eggs, chickens, and turkeys, will encourage larger outputs in 1961.

Since the laying flock at the beginning of next year will be smaller than in 1960 on account of the cut in the number of replacement pullets raised this year, egg production in the first part of 1961 will be down from 1960. Although the laying flock in the fall of 1961 is likely to be above this fall, consumption of eggs per person for 1961 as a whole is likely to be below the 1960 estimate of 325 per civilian.

Poultry meat, on the other hand, is likely to be more abundant next year. Production of broilers and, to some extent, turkeys has moved into highly-organized firms that are intent on employing their facilities fully to minimize production costs. Continuing advances in production techniques enable innovators in the field to trim costs to an extent that makes them willing to continue large-scale production against even uncertain price prospects. In addition, the price of feed -- the principal cost item in poultry meat production -- is likely to remain stable, or perhaps decline.

Dairy Products

Supplies of milk and milk products available for consumption next year are expected to be higher than this year, and again more than ample to meet consumer demand at retail prices close to current levels. Production of milk is likely to continue upward through 1961. Stocks of dairy products at the beginning of the year will be close to those of a year earlier.

Milk production declined in both 1958 and 1959 as farmers in many areas switched from dairying to more profitable activities. Dairy cow numbers declined in each year, but since early 1959 the decline slowed to the lowest rate since 1954. Milk output this year is expected to total around 125.5 billion pounds, compared with 124.4 billion in 1959. Prospects are that the increase in milk production in 1961 will be slightly larger. In general, farming activities alternative to dairying may be less profitable than in 1960.

Production estimated for 1960 totals only slightly higher than for 1959, but on a per capita basis is the lowest of record. Output is expected to be a little below 700 pounds per person, compared with 703 pounds in 1959 and the 1947-49 average of 793 pounds. Despite this reduction, per capita output of milk remains significantly higher than the total moving through commercial market channels. Accordingly, substantial quantities continued to be sold to the Federal Government under the price-support program.

The long-term downtrend in consumption of butter, evaporated milk, and fluid cream probably will continue through 1961. Consumption of fluid milk products per person may be somewhat less than in 1960 despite a probable gain for the fluid low-fat and no-fat milk products. In summary, civilian consumption of milk and dairy products in 1961 may total around 660 pounds (milk equivalent) per person. Comparable estimates for 1959 and 1960 are 678 and 670 pounds, respectively.

Calculated in terms of solids-not-fat, the situation is considerably different. On this basis, consumption of milk and dairy products will likely be a little higher in 1961 than this year, continuing the upward trend of the past two decades. It is now equivalent to nearly 48 pounds per capita, compared with 40 pounds 20 years earlier. Within the past decade, particularly, increased consumption of a number of dairy products which contain much or only milk solids-not-fat -- particularly no-fat and low-fat fluid milk products -- have helped to move up the level of consumption of milk and dairy products in terms of solids-not-fat. In the same period, civilian use of nonfat dry milk has expanded substantially.

The above estimates pertain to consumption of milk and dairy products from all sources. They include the milk equivalent of both the fluid whole milk consumed via the National School Lunch and the Special School Milk Programs, and the dairy products -- butter, cheese and nonfat dry milk -- directly distributed to schools in the NSLP and other eligible outlets. Such distribution in 1960 was equal to 26 pounds (fluid milk equivalent) per person. Thus, consumption of milk marketed only through commercial channels totaled about 598 pounds (milk equivalent) per person.

Price-support purchases of cheese by the Government were negligible between January and early fall 1960. During the same period last year the CCC purchased 50 million pounds of cheese. Butter purchases in the same period totaled 141 million pounds, 14 percent more than a year earlier, and receipts of nonfat dry milk were 32 million pounds, up about one-eight. Current expectations are that for calendar 1960 as a whole price-support program purchases will be equivalent to 2.5 percent of milk production in terms of milkfat and 7.8 percent of output in terms of milk solids-not-fat. The volume of dairy products purchased under this program in 1961 will depend on the level of milk output and the strength of consumer demand at equivalent of support prices for the milk and products which move only through commercial channels.

Food Fats and Oils

Food fats and oils will be in large supply this fall as output increases seasonally, but a little less plentiful than last fall. There will be about as much vegetable oils, but much less lard. Apparent civilian per capita consumption of food fats and oils during the next few months is expected to continue at about the same rate as a year earlier. Retail prices of butter will likely average a little lower this fall than last, but those of lard will be somewhat higher. Prices of a few vegetable oil food products are expected to remain moderately below those of a year earlier during the remainder of 1960.

Current indications are that total supplies of edible fats and oils (including oilseeds) during the marketing year which began October 1 will be down slightly from the record quantity available last year. The substantial reduction for lard (lower output) and fewer soybeans (larger crop, but reduced carryover) than a year ago are expected to more than offset the small increase in prospect for cottonseed oil and butter. However, the impact of this will be confined to the inventory level. With domestic utilizations of food fats and oils expected to total a little higher than in 1959-60 and exports to be maintained at least at last year's level, the carryover (including the oil equivalent of oilseeds) at the end of 1960-61 will be down somewhat from a year earlier.

Production of vegetable oils through next September will be up slightly from the record output in 1959-60. Cottonseed oil output is expected to be up slightly from last year's relatively high level and soybean oil output is expected to equal that of 1959-60. Total supplies of edible vegetable oils are sufficient to meet anticipated domestic needs and to permit continued heavy exports. Retail prices of food products of vegetable oils during 1960-61 probably will average close to those of a year ago.

Lard production in 1960-61 will be sharply below a year ago, reflecting a decline in the number of hogs to be slaughtered. Slightly offsetting the effect of reduced numbers will be the heavier average weights at which hogs will likely be marketed. Most of the decrease in lard output will take place during the first half of the marketing year. Lard prices in 1960-61 are expected to average somewhat higher than a year ago. High lard prices, which are associated with reduced output, will not only cause a drop in exports but also result in less lard being used in the manufacture of shortening.

Supplies of butter in the year which began October 1, 1960 will be up slightly,as carryover stocks were 46 percent larger than on the same date last year and production may be up about 1 percent from last year. Civilian per capita consumption of butter will likely be down slightly from the year earlier rate. Retail butter prices are likely to average a bit lower in 1960-61 than in 1959-60.

Exports of food fats and oils were at a record level in 1959-60 and are expected to be as high during the current marketing year. The large outward movement will be encouraged by many factors, important among which are competitive prices in world markets, financing of exports through Government programs (as provided under P. L. 480), and the continued need by major importing areas, such as Western Europe and Japan, to import large quantities of edible oils and oilseeds. The strength of export demand will again be a major factor influencing the level of domestic prices of the primary fats and oils used in the manufacture of the corresponding food products.

Civilian use of food fats per person in calendar year 1961 is expected to continue close to the 46-pound (fat content) rate of the three preceding years. The pattern of use per person is expected to be closely similar to that indicated for 1960. This year some increase over 1959 is being registered in the use of margarine. This increase was offset in part by smaller consumption than last year for butter and for lard.

The total supply of farmers' stock peanuts in 1960-61 marketing year is about the same as a year earlier, as a 9 percent increase in production offset smaller beginning stocks. Prospective supplies are sharply in excess of probable domestic use, and CCC will likely acquire the surplus from the 1960 crop under the price-support program. Use of peanuts in the manufacture of peanut butter, which requires as many peanuts as all other peanut food products combined, is expected to continue to increase in 1960-61. Demand for salted peanuts and peanut candy probably will continue strong. Diversion of CCC peanuts into crushing (into oil and meal) and export channels during the current marketing year will probably approximate the quantity diverted in 1959-60.

Fruit

Total supplies of fresh and processed fruits probably will be a little smaller from now until mid-1961 than in this period of 1959-60. The reductions will be mostly in fresh deciduous fruits and in some of the processed items. Tree nuts will continue in relatively large supply, probably not greatly different from 1959-60. Retail prices for both fresh and processed fruits generally in the present marketing year are expected to be up somewhat from a year earlier. Those for most tree nuts probably will be at least as high as in 1959-60.

There will be somewhat less fresh deciduous fruit than a year earlier from now until supplies from the 1961 crop become available beginning late next spring. The reductions for both apples and pears reflect the smaller crops this year than in 1959. The relative supplies of fresh grapes in the months ahead will depend mostly upon the harvest and storage of Emperor grapes, the principal storage variety. Very large supplies of fresh cranberries will be available this fall and winter from the record 1960 crop.

There probably will be about as much fresh citrus fruits this fall and winter as last if early indications materialize. There may be some reduction next spring if the Florida Valencia orange crop is no larger than currently anticipated. An important part of this crop is processed. Prospects are for a little larger supply of Florida early and midseason oranges than in 1959-60, but fewer Navel oranges from California. Indications also point to many more tangerines, about as many grapefruit, but somewhat fewer tangelos, limes and lemons. Total production of citrus fruits in Florida in 1960-61 is expected to be about as large as in 1959-60, despite substantial losses due to hurricane "Donna" in September. The 1960-61 citrus crop is up moderately in Texas, where production is trending upward, but down somewhat in California and Arizona, where there was a light set of fruit because of unfavorable weather.

In recent years, imports of bananas have increased substantially, and in the first 8 months of 1960 increased further. In 1959 per capita consumption was almost 23 pounds, well above that for fresh oranges and moderately exceeding that for fresh apples.

Total supplies of canned fruits will continue large from now until the end of the present marketing year in mid-1961, but may be somewhat lower than in the same part of 1959-60. Carryover stocks were noticeably larger than at the beginning of the preceding season, but the increase may be somewhat more than offset by the moderately lower pack this year. Substantially more canned apricots were packed in 1960 than a year earlier and moderately more fruit cocktail. Among the other items for which this year's pack is completed, about as many peaches (total, cling and freestone) were packed in California as in 1959, moderately fewer sweet cherries, and considerably less RSP cherries and purple plums. Reductions also are expected in the output of canned pears, apples and applesauce this year. These canned fruits will be augmented as usual by substantial deliveries of canned pineapple from Hawaii. Supplies of canned fruits are expected to be sufficient to permit per capita consumption to continue at about 23 pounds or even a little more by drawing down stocks somewhat.

Somewhat less canned and frozen fruit juices are expected to be available this fall than last. Later in the marketing season, after processing of the 1960-61 citrus crop reaches its annual plateau, supplies may be larger than a year earlier. There will likely be about as much of the deciduous fruit juices, but supplies of citrus juices -- particularly the frozen concentrates -- may be a little less plentiful than in 1959-60. Packers' stocks of canned single-strength citrus juices in Florida were materially smaller in late October than a year earlier, but those of frozen orange juice concentrate were much smaller than a year earlier though well above stocks of other recent years. (Florida is the principal producer of these products and the only State for which stock data are currently available.) Because of hurricane damage to early-maturing citrus in Florida, volume packing there of canned and frozen citrus juices, especially the latter, will occur somewhat later than in 1959-60. There is still some uncertainty as to the probable size of the 1960-61 packs of these citrus products. In recent years, civilian per

capita consumption of all canned fruit juices has been about 12 pounds, that of frozen fruit juices about 5 pounds (about 16 pounds, single-strength basis) and that of chilled citrus juices about 2 pounds.

About as large a tonnage of frozen deciduous fruits and berries (excluding juices) probably will be available in 1960-61 as in 1959-60. The 1960 pack may be about as large as the year-earlier one. Compared with output in 1959, there is a moderate increase for frozen RSP cherries and a moderate reduction for strawberries. The packs of the other major items may be about the same as last year's. Per capita civilian consumption of frozen deciduous fruits and berries in recent years has ranged from $3\frac{1}{2}$ to 4 pounds.

Total supplies of dried fruits in 1960-61 probably will not be greatly different from 1959-60. Moderately less was produced in 1960 than a year earlier, but this may be about offset by the larger carryover stocks. According to early reports, reduction in output from 1959 is relatively heavy for raisins and dates, but lighter for prunes. Output of other dried fruit items probably will not differ much from last year. Imports, usually mostly dates and figs, probably will be much the same as in 1959-60. Hence, per capita consumption of dried fruits in 1960-61 may be about the same as the year-earlier rate of approximately 3.2 pounds.

Very large supplies of tree nuts are in prospect for the current marketing year. According to early indications, our output in 1960 was about the same as the 1959 record, with substantial increase for pecans and walnuts almost offsetting the large reduction for almonds and the more moderate one for filberts. But supplies of almonds will continue large because of an unusually heavy carryover from the record 1959 crop. As in the past, imports may provide around half of the total annual domestic supply of tree nuts. Brazil nuts and cashews comprise the bulk of these imports.

Vegetables

Supplies of frozen vegetables will be at least as large into mid-1961 as a year earlier, but slightly less canned vegetables are available. Potatoes will be a little more plentiful this fall and winter than last, but substantially fewer sweetpotatoes and dry field peas are in prospect and slightly fewer dry edible beans. Supplies of fresh vegetables for the remaining weeks of the fall probably are about the same or slightly larger than a year ago.

Retail prices of processed vegetables are expected to average a little higher than in 1959-60, reflecting both the relative supply-demand situation and increased costs of processing and distributing. Higher prices also are expected for sweetpotatoes and dry peas. Retail prices of dry beans will likely average close to those of a year earlier. Prices of russet potatoes may average about the same as a year earlier, round white potatoes may average a little lower.

Total fall production of fresh market vegetables is moderately larger than last year. However, most of the increase was in early fall crops, and remaining supplies probably are the same to slightly larger than those of a year earlier. More cabbage, cauliflower and broccoli are available than a year ago, but supplies of green peppers, tomatoes, sweet corn and eggplant are significantly smaller. Although prices of some items in short supply will be higher than last fall, retail prices of many fresh vegetables during the next 4 to 6 weeks probably will average below the relatively high levels of a year earlier. Dry onions are again in large supply, and retail prices into mid-winter are expected to average close to those of last season.

At least as many frozen vegetables will be available into mid-1961 as a year earlier, but indications are that remaining supplies of canned vegetables are a little smaller. Among canned items, about the same quantity of asparagus is available as a year ago, and at least moderate increases appear likely for snap beans, lima beans, and sauerkraut. But supplies of canned sweet corn and green peas are materially smaller than in the 1959-60 season. While combined supplies of tomatoes, tomato juice and tomato products probably are close to those of a year ago, some items are less plentiful. Stocks of frozen vegetables were about as large this October 1 as last. Moderate to substantial increases for French fried potatoes, spinach, mixed peas and carrots, cauliflower, and minor frozen vegetables about offset sizeable reductions for sweet corn, green peas, lima beans, and broccoli. Because of smaller supplies of some items and slightly higher processing and distribution costs, consumer prices of processed vegetables into mid-1961 are expected to average a little above those of a year earlier.

Civilian per capita consumption of frozen vegetables probably will average a little above that of last season, and that of canned vegetables about the same.

Slightly more potatoes will be available through this winter than a year earlier because of the larger fall crop. Processor demand will likely continue strong, and the rate of consumption of fresh and processed potatoes, combined, is expected to average the same to slightly above that of last fall and winter. Because of larger supplies, retail prices of round white potatoes into early spring in the east and midwest are likely to average somewhat lower. Prices of russets may average about the same as last season.

About a fifth less sweetpotatoes are available than at the same time last year because of the smaller crop. Consumption per person into mid-1961 is expected to be down substantially from a year earlier, and retail prices significantly higher.

Supplies of dry edible beans are a little smaller than a year ago. Colored beans as a group are in fairly tight supply. Total supply of white beans are moderately smaller than a year ago, but materially above average. Total exports are likely to be down from the high level of last season. Retail prices of dry beans probably will average close to those of last season.

Materially fewer dry field peas are available this season than last, reflecting the sharply reduced crop. Allowing for average domestic use will leave only about half as many peas for export as in 1959-60. Retail prices of smooth green types of dry peas may average somewhat above those a year earlier.

Cereal Food Products

Civilian consumption of cereal food products next year is expected to be close to the rates estimated for 1960. Retail prices probably will average a little higher in 1961 because of the likely continued rise in processing and marketing costs.

Grain supplies will continue very large in the 1960-61 marketing year, considerably greater than expected domestic use and exports. Production of wheat, rye and oats is well above 1959. Carryovers of all the grains were very large, with most of them owned by the Government.

A record supply of wheat is available this season, 11 percent more than the peak reached in 1959-60. The wheat crop was more than a fifth larger this year than in 1959, but the carryover was only slightly larger than last July 1. Total domestic disappearance for food and nonfood purposes are expected to be about the same as a year earlier and exports moderately larger. Accordingly, the carryover on July 1, 1961 may be over 200 million bushels larger than it was this year.

Civilian per capita consumption of wheat in food products in calendar year 1961 is expected to be close to the 165 pounds (grain equivalent) estimated for 1960. The total tonnage used domestically as food may be up a little because of the population increase.

Rice supplies for the current marketing year, estimated at 65.9 million bags (1 bag = 100 pounds of rice), rough rice equivalent, is 3.6 million bags below a year ago and 7.1 million below the 1954-58 average. Production is only slightly above 1959 but the carryover this August 1 of 12.1 million bags was down over a fifth from a year earlier, reflecting large exports in 1959-60. Domestic disappearance is estimated at 28.1 million bags, about the same as the revised figure for 1959-60. Exports may total close to 29 million bags, which would be a little below those of 1959-60 but still the third largest of record. The carryover August 1, 1961 may be close to 9.0 million bags, well below that of this August 1 and sharply below the record carryover of 34.6 million on the same date 5 years earlier.

A record supply of corn is available for the 1960-61 marketing year, while oats are about as plentiful as the year earlier small supply. The barley supply is down 5 percent from last year, but is still above the 5-year average. The 1960 growing season was generally favorable for feed grains and average yield per acre of each was near the 1958 record.

The corn supply, including estimated production for harvest as grain and the record October 1 carryover, totals 5,667 million bushels, 146 million bushels more than last year. This big supply is far in excess of anticipated domestic needs and exports in 1960-61, and a carryover of around 2.0 billion bushels is in prospect for October 1, 1961.

The acreage of oats for harvest was moderately lower this year than in 1959. Because of a substantial increase in average yields per acre, the crop was much larger than last year. The output gain was enough to offset the reduction in carryover stocks.

Civilian per capita consumption next year of food products made from corn, oats and barley is expected to continue near the 1960 level. This year consumption of corn sirup per capita will be a little higher than in 1959, while down slightly for corn sugar. Consumption of corn products in 1961 is expected to continue near the level of recent years when per capita consumption has held relatively stable at around 45 to 46 pounds (grain equivalent) per capita. Increased consumption of corn sugar, sirup and hominy grits since 1955 has about offset declining per capita consumption of cornmeal and starch.

Consumption of oatmeal and other oat food products has increased in recent years from 6.76 pounds per capita in 1955 to 7.25 pounds in 1959. Consumption is expected to continue at about this level in 1960 and 1961.

Sugar

Primary distributors delivered about one percent more sugar during January-September 1960 for consumption on the United States mainland than they did during the same period a year ago. Per capita consumption of refined sugar in 1960 will be about the same as in 1958 and 1959--around 98 pounds.

Production of beet sugar from the 1960 crop promises to be about 2.4 million short tons (raw value), an all-time record. Most beet sugar from that crop will be marketed in 1961. Record production is also expected from mainland sugar cane. The Department recently announced that nonacreage restrictions will apply to the 1961 beet crop. Thus, no Governmental restrictions on production will apply to any domestic sugar producing area, either on the mainland or offshore, in 1961.

Unusually heavy demand for sugar in June and July--about 20 percent more than one and two years earlier--had its effect on sugar prices at all levels of distribution. Raw sugar prices during the third quarter averaged 7 percent above those in the first half of 1960 and 2 percent above a year earlier. The New York wholesale price of refined cane sugar was about 4 percent above the first half of 1960 and 3 percent above a year earlier. The nationwide retail price averaged nearly 2 percent above the first half of 1960 as well as a year

earlier. The domestic raw sugar price has declined a little since the purchase of 322,000 tons of nonquota raw sugar from the Dominican Republic was authorized on September 23.

With the present Sugar Act scheduled to terminate on March 31, 1961, the Secretary's determination of sugar requirements will apply only to the first quarter of 1961. The Secretary's decision will be announced before the end of the year. The President, acting under the Sugar Act amendment approved July 6, 1960, will have to determine the quota for Cuba for the first quarter of 1961. In this connection, it should be noted that countries other than Cuba offer plenty of sugar for sale--more than enough to meet U. S. import requirements, but some of it is located in distant areas.

THE WORLD FOOD SITUATION 1/

World food production in 1960-61 is expected to be larger than last year and above the high level reached in 1958-59. Since stocks on hand appear to be as large or larger than a year ago, world food supplies are also expected to increase. Because of the increase in population, however, supplies per capita may not reach the record 1958-59 level.

Present prospects indicate increased output of most major food crops. World wheat production is currently forecast up 4 percent from 1959-60, mainly because of higher yields in North America. Rice production outside Mainland China should also be up. World output of both sugar and vegetable oils may well reach new highs. Increased livestock as well as food crop production appears likely; though little change is in prospect for meat, output of milk and eggs is expected to rise. Feed grain supplies should be ample, with production a little larger than last year and some increase in stocks in the principal exporting countries.

The demand for food continues strong. Consumer incomes have risen over the past year and a half in most industrialized countries, reflecting a vigorous expansion of their economies. This expansion has been accompanied by a growing volume of trade and in many of the industrialized countries by an increase in gold and dollar reserves over the high level reached in June 1959.

Economic conditions have also improved in most of the less developed countries, in part as a result of increased demand abroad for the primary products they export. But most remain hard pressed by balance-of-payments difficulties. Efforts to import the capital equipment needed for economic development, or to contain inflation, or both, have left little foreign exchange available for importing food, and will continue to do so for some time to come.

Western Europe

Highly industrialized Western Europe, the world's major food importing region, will need greatly increased wheat supplies from overseas sources in 1960-61. The summer of 1960 was wet, causing considerable damage to the quality of the wheat crop in northern and central Europe. Too much rain also cut the size of the harvest in Mediterranean Europe and France. Three leading wheat growers -- France, Italy, and Spain -- had their wheat crops reduced by about a million tons each below 1959.

The West European feed grain crop, on the other hand, is larger than a year ago, and it will be supplemented by unusually large quantities of low quality wheat. Moreover, the abundant rains resulted in lush pastures and large forage production. Western Europe's livestock industry is therefore in

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1/ Prepared by the Foreign Agricultural Service, U. S. Department of Agriculture.

less need of imported feed this season than last when drought hit forage crops and dried up pastures.

Production of both sugar and fruit will also be sharply up from last year. Output of olive oil, however, will not reach the high 1959-60 level, and oil seed crops too will be down.

Among livestock products, milk output is expected to continue its upward trend in most countries except perhaps Denmark where unsatisfactory export prices for butter recently have been holding back production. Hog slaughter is also expected to show some increase, and there may be an increase in beef output. Poultry production trends steadily upward.

Eastern Europe

Crop conditions in Eastern Europe were fairly good. Though output in the Danube Basin fell short of the record made in 1959, it may be close to the high 1957 level. Rumania, Yugoslavia and Bulgaria should again be net exporters of grain, particularly corn, in 1960-61. In Hungary, however, imports of wheat are likely to exceed exports of corn. The three northern countries -- Poland, East Germany, and Czechoslavakia -- are large net importers of grain. Their combined production of both bread grain and feed grain dropped off in 1960; however, larger crops are indicated for potatoes and sugar beets. Livestock numbers have risen in both the northern and southern areas and poultry production is on the increase, which may mean expanded exports of livestock products.

Soviet Union

Soviet output of food and feed crops in 1960 was a little larger than last year but well below the record 1958 level. Substantial increases in production of feed grains, sugar beets, and sunflower seed are reported. Output of potatoes was probably a little above last year. The bread grain harvest may have dropped to the lowest level since 1955. Heavy winter kill and severe wind storms in European Russia combined with an overall late season and harvesting problems in the "New Lands" of Siberia and Northern Kazakhstan lowered both acreage and yields of bread grain.

Nevertheless, with the stocks on hand, Soviet wheat supplies probably are ample to cover not only domestic consumption and Soviet Bloc import requirements but also to permit substantial exports to non-Communist countries. At the same time, the anticipated increase in feed grain supplies should help to make possible a further expansion in meat production. Milk production may be slow to recover from the effects of periodic feed shortages and distress slaughtering of cattle in 1960.

Mainland China

Food production in Mainland China may also show some increase this year. Available evidence suggests that food crops will be harvested from a larger number of acres in 1960 than in 1959. Little if any increase in yields per acre is likely, as damage to crops from drought, floods, typhoons, and pests appears to be at least as extensive this year as last.

Even with some increase in production, the outlook is for another year of food scarcity and rationing. Owing to inadequate transportation, the food situation in those areas most heavily hit by calamities could become critical in the months preceding the first crop harvest in 1961. This happened in 1960, following the disappointing 1959 crop and when the government still had substantial stocks on hand from the good 1958 crop.

Far East

Food production in the Far East is expected to increase again this year, but the increase will not be as uniform throughout the region as in 1959. Grain production is down slightly in India, Pakistan, Ceylon, Malaya, and Taiwan (Formosa). However, imports of food grains into India are running at record levels and Pakistan plans to import increased quantities of wheat. Ceylon and Malaya will also need to import more food grains if consumption levels are to be maintained. Taiwan, usually a net exporter of rice, may become a net importer this year.

In the other grain deficit countries, grain output is up largely because of gains in rice production. While Japan will have the sixth consecutive bumper rice crop, which will also be an all time record, it will continue to import large quantities of food grains. South Korea expects to export several thousand tons of rice. The Philippines will have increased production of corn as well as rice, but may have to import rice in 1961 because of increased consumption. Indonesia remains a substantial importer of food grains.

Production in the rice bowl countries should be as large or larger than last year and exportable supplies will probably be close to the high 1960 level.

Western Asia

The food production outlook in Western Asia as a whole is again no better than average because drought struck Syria, Lebanon, and Jordan in 1960 for the third year in succession and spread to Israel and parts of Iran. With grain production down, all 5 countries will need to import more this year than last.

Weather conditions were generally favorable in Turkey, the region's major producer, and in Iraq. Iraq may be able to cover its own wheat requirements in 1960-61. But although the Turkish crop is reported to be up, deliveries to the government purchasing agency have been running low, and the government may need to import substantial quantities of wheat this season.

Northern Africa

Production of most major food crops in Northern Africa is expected to be considerably higher than in 1959-60. However, Egypt's rice crop decreased; the country will therefore have less rice for export and must continue to import large quantities of wheat as well as some vegetable oils, meat, and

dairy products. Libya will continue to need relief shipments of food, even with good crops in prospect. In contrast, Morocco, Algeria, Tunisia, Sudan, and Ethiopia are expected to be self-sufficient in basic foods and will probably have some grains for export as well as citrus, wine, pulses, and oilseeds.

Southern Africa

In Southern Africa production is usually large enough to cover consumption of most foods other than wheat. This was the case in 1959-60, though local droughts developed in some countries. Serious food shortages in the Republic of the Congo (formerly Belgian Congo) as a result of the political confusion there have thus far failed to appear. With the flight of a large part of the European population, demand for European-type foods declined. Local and contributed foods have proved adequate to date to cover requirements.

Latin America

Production of staple food crops is likely to decline in the northern part of Latin America, largely because of decreased output in Mexico and Cuba. Mexico suffered from severe drought in the first half of 1960, which hit the wheat crop and reduced spring corn plantings; wheat production is estimated at 10 percent below the 1959 level and corn may be down by as much. In Cuba, a reduced harvest of sugar is presently in prospect for 1960-61; rice output is down and feed supplies are short.

In Brazil, on the other hand, food production, excluding coffee, will probably show a substantial increase. Except for wheat and possibly some edible oils, imports of food stuffs are expected to decline.

South of Brazil, however, there is little prospect of an increase in food output. Drought-caused delays in planting may sharply reduce the output of wheat and other small grains in Argentina and central Chile. Some of the land formerly used for these crops may be diverted to corn, sunflower seed, and other late crops. At the same time, meat production in Argentina may increase. Output of other livestock products is expected to be near the 1959-60 level.

Canada

Food production in Canada will be up in 1960-61. Favorable growing weather in the Prairies has resulted in the largest grain, oilseed, and forage crops in 4 years. Wheat production is estimated at 19 percent above the 1959 level; however, since there was another reduction in carryover stocks, supplies for 1960-61 will be only 7 percent larger than for 1959-60. Feed grain supplies are also larger than in 1959-60 and cattle feeders are planning to feed larger numbers during the current season. Pork, poultry, and milk production may show little increase.

Australia and New Zealand

Growing conditions have also been favorable thus far in Australia. Wheat production may reach a new high, and other grains are also expected to approach record levels. Milk production is likely to equal the large output of 1959-60. Production of meat, however, will probably be down again, unless the recent localized drought in Queensland forces increased cattle marketings. In New Zealand, on the other hand, meat and milk production is expected to continue its upward trend. Wheat production is also expected to increase, making New Zealand close to self-sufficient in food grains.

POSTWAR TRENDS IN VEGETABLE CONSUMPTION 1/

Today people in this country are eating about the same quantity of commercially produced vegetables per person as in the years immediately following World War II. However, important changes have occurred in use of individual items, and in the form in which vegetables are used. With few exceptions, the use of processed items has increased substantially, often at the expense of the fresh.

Trends in Consumption

During the past 10 to 12 years there has been little change in the overall rate of consumption of commercially grown vegetables. 2/ Annual consumption, on a fresh equivalent basis, 3/ has remained remarkably stable at around 200 pounds per person (figure 1). However, there have been striking changes in the form in which the consumer buys these vegetables. The trend has been toward more of the processed items. Consumption of processed vegetables increased about a fourth, from 79 pounds (fresh equivalent) per person in 1947-49 to more than 97 pounds in 1957-59. Of this increase, a little over half was accounted for by the canned items, and a little less than half by the frozen. The percentage increase in civilian use of frozen vegetables in the postwar period was especially sharp.

Consumption of fresh vegetables per person declined 15 percent -- from 120 pounds in the immediate postwar years to 102 pounds in 1957-59. Nevertheless, fresh items still make up about half of total annual consumption of commercially grown vegetables. Some salad items, such as lettuce and celery, used principally in the fresh form, have maintained their position or declined very slightly. But for many items used in both fresh and processed forms, the fresh form has lost considerable ground. The rapid growth in use of frozen vegetables has played a large part in the decline in use of the fresh. Frozen items retain many of the desirable characteristics of the fresh, are easy to prepare, and are widely available throughout the year at relatively stable prices. On the average, each person now eats over 15 pounds of frozen vegetables (fresh equivalent) compared with less than 7 pounds in 1947-49. Canned vegetable consumption also increased substantially in the same period -- from about 73 pounds (fresh equivalent) per person to 82 pounds.

A closer look at 10 principal vegetables 4/ used both in fresh and processed forms points up the growing importance of use of the processed forms. Consumption of these items in all forms combined increased slightly from

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1/ By Will M. Simmons, Fruits and Vegetables Section, Statistical and Historical Research Branch, AMS.

2/ Excludes melons, potatoes, sweetpotatoes, dry edible beans, dry field peas, and vegetables used in soups, baby foods and food mixtures.

3/ Fresh vegetables plus the calculated "fresh farm weight equivalent" of processed vegetables.

4/ Asparagus, lima beans, snap beans, broccoli, cabbage, corn, cucumbers, green peas, spinach, and tomatoes.

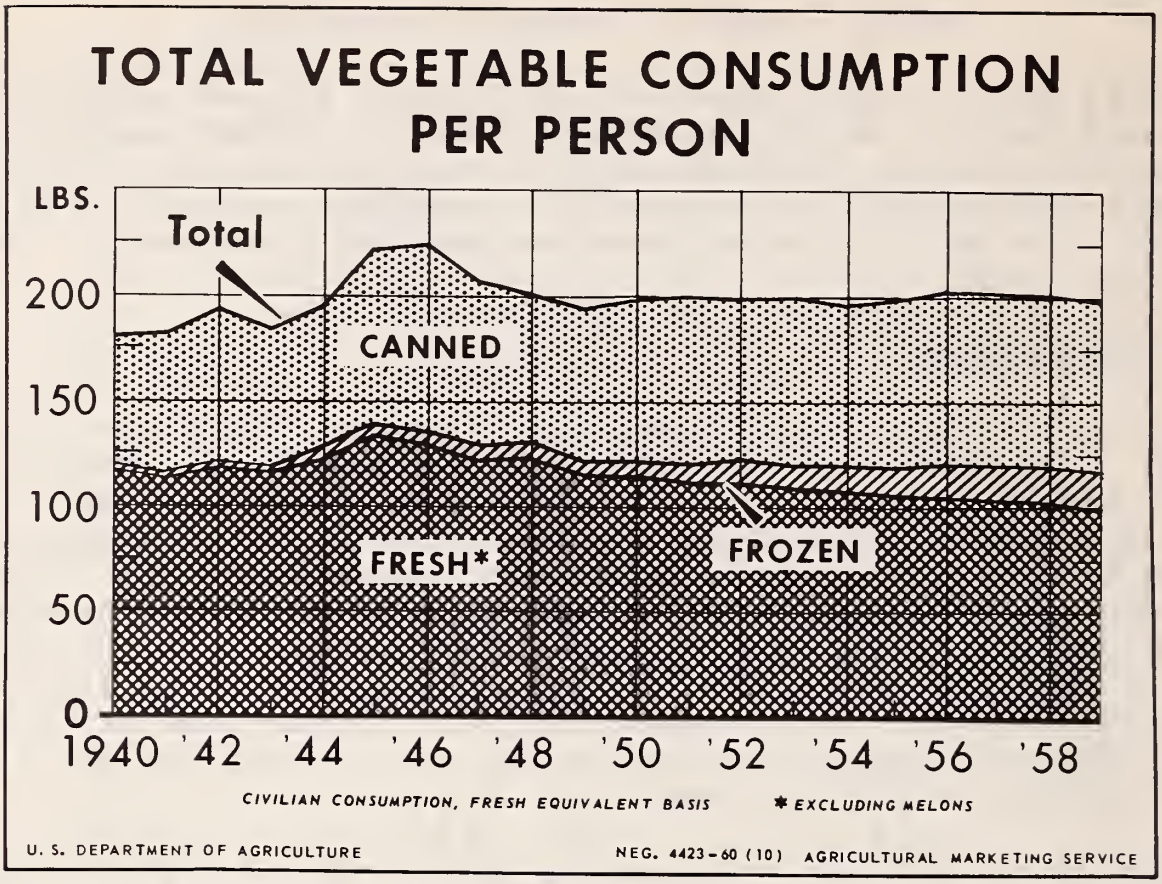

Figure 1

123 pounds per person in 1947-49 to 128 pounds in 1957-59 (table 5). The "fresh" component of this total declined from 50 pounds per person to 40 pounds. But aggregate consumption of these canned products increased from about 67 to 77 pounds (fresh equivalent) per person; the use of the frozen more than doubled -- from a total of 5.5 to 11.9 pounds (fresh equivalent) per person. On a relative basis, use of canned vegetables increased from 55 percent of the total of 10 major items in 1947-49 to 60 percent in 1957-59, while for the frozen the increase was from less than 5 to more than 9 percent of the total. If we exclude the vegetables not available in frozen form -- i.e. cabbage, cucumbers and tomatoes -- frozen vegetable consumption per person increased from 11 to 23 percent of the corresponding fresh equivalent total.

Only 2 of the 10 vegetables (sweet corn and cucumbers) escaped a decline in their use in the fresh form. But most of the increase in use of both was in their processed products. Consumption of canned corn gained only slightly, but that of frozen was up sharply. There was a substantial advance for cucumber pickles also. Asparagus consumption showed little change in total, with increases for the canned and frozen offsetting a decline for the fresh. The substantial decline in use of fresh snap beans was more than offset by sharp increases in both the canned and frozen forms. There was an almost 50 percent reduction in consumption of fresh broccoli during the postwar years, but this was more than made up by a tripling of the frozen product. Fresh green peas have just about disappeared from the market and consumption of

Table 5.--Commercially produced vegetables: Trends in civilian per capita consumption, by form, United States, 1947-49 and 1957-59 averages 1/

(Fresh equivalent basis)

Vegetable and form	Consumption per person			Vegetable and form	Consumption per person		
	1947-49 average	1957-59 average	Change 1947-49 to 1957-59		1947-49 average	1957-59 average	Change 1947-49 to 1957-59
	Pounds	Pounds	Percent		Pounds	Pounds	Percent
	All vegetables 1/				10 selected items 2/ -Continued		
Fresh	120.4	102.1	-15	Cabbage			
Canned	72.6	82.3	13	Fresh	16.1	11.2	-30
Frozen	6.6	15.2	130	Canned 4/	2.39	2.18	-9
Total	199.6	199.6	0	Total	18.49	13.38	-28
	10 selected items 2/			Corn 5/			
Total, 10 items				Fresh	8.0	8.1	1
Fresh	49.9	39.6	-21	Canned	13.25	13.35	1
Canned	67.41	76.61	14	Frozen	.98	2.73	179
Frozen	5.54	11.93	115	Total	22.23	24.19	9
Total	122.86	128.14	4				
Asparagus				Cucumbers			
Fresh	1.0	.8	-20	Fresh	2.6	2.6	0
Canned	.86	1.03	20	Canned 6/	3.24	3.96	22
Frozen	.26	.33	27	Total	5.84	6.56	12
Total	2.12	2.15	1				
Beans, lima 3/				Peas, green 3/			
Fresh	.6	.3	-50	Fresh	.9	.3	-67
Canned	.51	.66	29	Canned	9.52	8.07	-15
Frozen	.92	1.60	74	Frozen	2.31	4.53	96
Total	2.03	2.56	26	Total	12.74	12.90	1
Beans, snap				Spinach			
Fresh	4.1	2.7	-34	Fresh	1.9	1.0	-47
Canned	2.09	3.02	44	Canned	.98	.88	-10
Frozen	.35	.97	177	Frozen	.49	1.04	112
Total	6.54	6.69	2	Total	3.37	2.92	-13
Broccoli				Tomatoes			
Fresh	.9	.5	-45	Fresh	13.8	12.1	-12
Frozen	.23	.73	217	Canned 7/	34.57	43.46	26
Total	1.13	1.23	9	Total	48.37	55.56	15

1/ Excludes potatoes, sweetpotatoes, melons, and dry beans and peas. Data for processed vegetables exclude quantities consumed in commercially produced soups and baby foods. 2/ Those items shown separately in this table. Data for canned vegetables exclude quantities in vegetable mixtures such as peas and carrots, and succotash. 3/ "In pod" basis. 4/ Sauerkraut, canned and bulk. 5/ "On cob" basis. 6/ Pickles, canned and bulk. 7/ Including canned whole tomatoes and tomato products other than soup.

canned peas has declined materially, but these decreases were a little more than counterbalanced by increased use of the frozen product -- from 2.3 to 4.5 pounds (fresh equivalent) per person. There was a gain of about 15 percent in per capita consumption of tomatoes despite a decline in use of fresh. Use of canned tomatoes and tomato products increased about a fourth, with very sharp increases for tomato juice, catsup, and sauce.

Why the Trends

The postwar changes in the pattern of vegetable consumption -- in favor of the commercially processed products, particularly the frozen -- reflect the combined effects of changes in a number of major socio-economic factors. The important ones among these include the continued shift of the population from farms to urban areas and the accompanying decline in production of food for own use, increasing consumer incomes, the increasing variety and availability of processed vegetables throughout the nation and throughout the year, much more stable prices for the processed than for the corresponding fresh commodity, more uniform quality of the processed products, and their convenience in use.

Geographic and seasonal availability of fresh and processed vegetables have improved in the postwar period. Faster, more flexible transportation schedules, and improved transportation and refrigeration equipment permit more widespread distribution of generally higher quality produce. The increase in number and geographic distribution of relatively large retail food stores with improved handling and merchandising facilities, together with the growing number of automobiles, have made these better fresh and processed items more easily accessible to consumers.

Improved processing technology has resulted in more and better processed products than ever before. Through the use of large, more efficient plants and labor-saving equipment, packers have been able to market processed items competitively with the fresh. The shift toward more frozen vegetables also has been materially influenced by the uptrend in average income during the postwar period. Data from the 1955 Household Food Consumption Survey indicate that, on the average, use of frozen vegetables per person was twice as large in families with incomes of $8-10,000, as in families with incomes of $3-4,000.

Convenience in use also has contributed considerably to the expansion in the use of commercially processed vegetables. Part of the demand for convenience reflects the desire of working women for foods which permit fast, easy meal preparation, as well as the desire of nonworking women for such foods, so that they may have more leisure time and more time with the family.

SELECTED RECENT ARTICLES, REPORTS, AND SPEECHES PERTAINING TO FOOD CONSUMPTION DATA AND ANALYSES 1/

Consumption and Demand

"The Demand for Pork," in The Livestock and Meat Situation, September 1960. Pp. 19-22. [Taken from Consumer Preferences for Pork, Des Moines, Iowa, by Raymond O. Gaarder, Norman V. Strand and Wilbur R. Maki. Research Bulletin 477, Iowa Agricultural and Home Economics Experiment Station, April 1960. 2/]

"Trends in Apple Use and Consumption," by Ben H. Pubols. The Fruit Situation August 1960. Pp. 19-22.

The Household Market for Selected Canned Fruits and Vegetables, by Kenneth E. Anderson and Russell L. Hawes. Marketing Research Report No. 427, September 1960. 33 pp.

Supplement for 1959 to Agriculture Handbook No. 91, Measuring the Supply and Utilization of Farm Commodities, September 1960. 29 pp.

Supplement for 1959 to Agriculture Handbook No. 62, Consumption of Food in the United States, August 1960. 42 pp.

Pounds and Percentages, by Marguerite C. Burk. Reprinted from 1959 Yearbook of Agriculture, Food. Pp. 591-599. (Yearbook Separate No. 2993.) [Summary of trends in food consumption.]

Nutritive Value of Foods, Institute of Home Economics, Agricultural Research Service. Home and Garden Bulletin No. 72. September 1960. 3/

Food Marketing and Prices

"The Changing Seasonal Patterns of Hog Production and Prices," by Arthur A. Harlow, The Livestock and Meat Situation, September 1960. Pp. 16-19.

"Observation and Audit Techniques for Measuring Retail Sales," by Earl E. Houseman and Benjamin Lipstein. Agricultural Economics Research, XII:3:61-72. July 1960. [Reprinted as AMS-403.]

"A Decade of Growth in the Frozen Vegetable Industry," by Will M. Simmons. The Vegetable Situation, July 1960. Pp. 20-23.

Evaluation of Promotional Materials on Home Delivery Milk Routes, Cumberland, Maryland, by James F. Hind and Mardy Myers. AMS-394, August 1960. 14 pp.

Research in Retail Merchandising of Farm Products -- Appraisal of Methods and Annotated Bibliography, by Bennett A. Dominick, Jr. Marketing Research Report No. 416. July 1960. 46 pp.

Other

"Consumer Buying Intentions and Quarterly Survey of Consumer Buying Intentions," Federal Reserve Bulletin, September 1960. Pp. 973-1003. [Contains data on consumer intentions to buy and actual purchases of durable goods and economic characteristics of consumers.] 4/

"The Interim City Worker's Family Budget," by Helen H. Lamale and Margaret S. Stotz. Monthly Labor Review, August 1960. Vol. 83, No. 8, Pp. 785-808. (Reprint No. 2346) [Shows the Autumn 1959 cost of a "modest but adequate" level of living for food, other major consumption groups and total living costs in 20 large cities.] 5/

Agricultural Statistics, 1959, U. S. Department of Agriculture. 1960. 622 pp. 6/

Power to Produce, 1960 Yearbook of Agriculture, United States Department of Agriculture, 1960. 480 pp. 7/

1/ Selected on basis of usefulness for economic analysis of food consumption patterns and trends. Unless otherwise indicated, single copies of the publications may be obtained from the Marketing Information Division, Agricultural Marketing Service, U. S. D. A., Washington 25, D. C. 2/ Research Bulletin 477 is available from Iowa Agricultural Experiment Station, Iowa State University, Ames, Iowa. 3/ Single copies may be obtained free from the Office of Information, U. S. D. A., Washington 25, D. C. 4/ Reprints are available from Publications Office, Federal Reserve Board, Washington 25, D. C. 5/ Reprint available from Office of Publications, Bureau of Labor Statistics, U. S. Department of Labor, Washington 25, D. C. 6/ May be purchased from Superintendent of Documents, Government Printing Office, Washington 25, D. C. Paperbound, $1.75. 7/ For sale by Superintendent of Documents, Government Printing Office, Washington 25, D. C. Price, $2.25.

Table 6.--Production of major food commodities, calendar years, 1935-39 and 1947-49 averages, 1957-59 and estimates for 1960, with percentage comparisons 1/

Commodity	Unit	Average 1935-39	Average 1947-49	1957	1958	1959 2/	1960 Preliminary 2/ 3/	1960 as a percentage of 1935-39	1960 as a percentage of 1947-49	1960 as a percentage of 1959
Meats (carcass weight)										
Beef	Mil.lb.	6,937	9,649	14,211	13,342	13,608	14,850	214	154	109
Veal	Mil.lb.	1,038	1,454	1,528	1,189	1,016	1,130	109	78	111
Lamb and mutton	Mil.lb.	870	716	707	688	738	760	87	106	103
Pork (excluding lard)	Mil.lb.	7,337	10,281	10,478	10,528	12,110	11,600	158	113	96
Total meats	Mil.lb.	16,182	22,100	26,924	25,747	27,472	28,340	175	128	103
Fish (edible weight)										
Fresh and frozen	Mil.lb.	615	706	653	675	647	4/	---	---	---
Canned 5/	Mil.lb.	337	484	443	508	435	4/	---	---	---
Cured	Mil.lb.	74	70	66	60	58	4/	---	---	---
Total fish	Mil.lb.	1,026	1,260	1,162	1,243	1,140	1,075	105	85	94
Poultry and eggs										
Eggs 6/	Mil.doz.	3,335	5,086	5,389	5,362	5,460	5,200	156	102	95
Chicken (ready-to-cook) 6/	Mil.lb.	1,730	2,753	4,409	5,022	5,215	5,375	311	195	103
Turkey (ready-to-cook) 6/	Mil.lb.	288	492	1,031	1,022	1,086	1,135	394	231	105
Dairy products										
Total milk 7/	Bil.lb.	105.9	116.3	125.9	124.9	124.4	125.5	119	108	101
Cheese 8/	Mil.lb.	673	1,160	1,407	1,399	1,382	1,445	215	125	105
Condensed and evaporated milk	Mil.lb.	2,225	3,497	2,873	2,751	2,746	2,605	117	74	95
Ice cream (product weight)	Mil.lb.	1,279	2,758	3,123	3,154	3,350	3,360	263	122	100
Fats and oils										
Butter, farm and factory (actual weight)	Mil.lb.	2,195	1,611	1,551	1,511	1,440	1,466	67	91	102
Lard 9/	Mil.lb.	1,630	2,419	2,559	2,441	2,803	2,625	161	109	94
Margarine (actual weight)	Mil.lb.	372	839	1,463	1,573	1,611	1,725	464	206	107
Shortening	Mil.lb.	1,529	1,434	1,808	2,006	2,250	2,325	152	162	103
Cooking and salad oils 10/	Mil.lb.	4/	4/	4/	4/	1,751	1,750	---	---	100
Other edible fats and oils 11/	Mil.lb.	2,157	3,912	6,746	7,005	8,132	8,200	380	210	101
Total fats and oils (fat content) 12/	Mil.lb.	5,554	7,627	10,554	10,663	12,093	12,005	216	157	99
Fruits										
Fresh:										
Citrus	Mil.lb.	6,875	8,782	7,404	6,118	6,816	6,858	100	78	101
Apples (commercial)	Mil.lb.	4,385	3,791	3,908	4,058	3,743	3,500	80	92	94
Other (excluding melons)	Mil.lb.	4,661	4,504	3,998	4,186	4,248	4,042	87	90	95
Processed:										
Canned fruit	Mil.lb.	1,710	2,597	3,443	3,347	3,952	3,766	220	145	95
Canned fruit juices	Mil.lb.	333	2,230	2,278	2,033	2,110	2,071	622	93	98
Frozen (including juice)	Mil.lb.	106	416	1,609	1,360	1,702	1,605	1,514	386	94
Dried	Mil.lb.	1,118	962	715	601	779	715	64	74	92
Vegetables										
Fresh vegetables and melons 13/	Mil.lb.	18,565	22,565	23,981	24,933	24,195	25,015	135	111	103
Fresh vegetables	Mil.lb.	14,980	18,504	19,641	19,780	19,724	20,265	135	110	103
Melons	Mil.lb.	3,585	4,061	4,340	5,153	4,471	4,750	132	117	106
Canned	Mil.lb.	4,034	6,088	7,748	8,284	7,607	8,015	199	132	105
Frozen	Mil.lb.	14/77	448	1,359	1,428	1,621	1,740	2,260	388	107
Potatoes	Mil.cwt.	213	248	240	266	243	253	119	102	104
Sweetpotatoes	Mil.cwt.	37	25	17	17	19	15	41	60	79
Dry edible beans 15/	Mil.lb.	1,360	1,854	1,563	1,918	1,821	1,786	131	96	98
Dry field peas 15/	Mil.lb.	229	401	333	249	438	273	119	68	62
Sugar, raw basis	1,000 short tons	1,948	2,065	2,561	2,815	2,822	3,070	158	149	109
Grains										
Wheat	Mil.bu.	759	1,251	951	1,462	1,128	1,368	180	109	121
Rye	Mil.bu.	44.9	23.1	27.2	32.2	21.5	31.1	69	135	145
Rice, milled	Mil.lb.	1,340	2,333	3,020	2,754	2,804	3,495	261	150	125
Corn, grain only	Mil.bu.	2,050	2,788	3,073	3,442	3,989	3,867	189	139	97
Oats	Mil.bu.	1,045	1,294	1,301	1,416	1,074	1,178	113	91	110
Barley	Mil.bu.	239	279	437	475	420	415	174	149	99
Peanuts, farmers' stock basis	Mil.lb.	1,230	2,128	1,436	1,827	1,592	1,732	141	81	109

1/ Calendar year basis except for fresh citrus fruit for which the season begins in the fall of the previous year; dried fruits on a pack year beginning year indicated; rice on a marketing year ending year indicated. 2/ Excludes Alaska and Hawaii. 3/ Preliminary estimates based on trends in livestock numbers, current or prospective rates of output, average or probable acreages and yields, and such other data or advance estimates as are available. These estimates are used only to indicate the general level of food supplies for domestic consumption for 1960, but they are based on such official estimates of production as are available at this time. Revisions will of course be made from time to time throughout the year as official indications or estimates are issued through the Crop Reporting Board of the Department. 4/ Not available. 5/ Excludes products containing small quantities of fish, such as clam chowder, etc. 6/ Includes an allowance for nonfarm production. 7/ Includes an allowance for nonfarm production declining from 2.3 billion pounds in 1935-39 to zero in 1956. 8/ Excludes full skim, cottage, pot, and bakers' cheese. 9/ Includes amount used in manufactured food and nonfood products. 10/ Fully processed liquid vegetable oils. Including use in mayonnaise and salad dressings, potato products, edible olive, and oleo oils, oleo stock, oleostearine, and edible tallow later processed into margarine, shortening, cooking and salad oils, etc., and nonfood items. 12/ Includes butter, lard, and "other edible fats and oils." 13/ This series covers total commercial production for sale as fresh both for shipment to distant markets and for local markets; includes quantities not harvested. Excludes farm garden output for farm household use. 14/ Average 1937-39. Data prior to 1937 are not available. 15/ Cleaned basis.

Table 7.- Retail food price indexes and total Consumer Price Index, United States, 1950-57 and 1958-60 by months

(Index numbers, 1947-49=100)

Year and month	Meats 1/	Eggs	Dairy products 2/	Fats and oils 3/	Cereals and bakery products	Fruits and vegetables	Sugar and sweets	Beverages	All foods 4/	Consumer Price Index
1950	105	85	96	80	104	98	102	153	101	103
1951	117	104	107	94	114	107	106	169	113	111
1952	116	95	112	79	117	117	106	170	115	114
1953	110	100	110	80	119	114	108	174	112	114
1954	108	84	106	84	122	112	110	207	112	115
1955	102	87	106	81	124	114	112	186	110	114
1956	97	86	109	83	126	119	110	194	110	116
1957	105	82	112	87	130	119	113	193	114	120
1958	115	86	114	86	133	127	118	179	119	124
Jan.	110	88	115	86	132	122	114	185	117	122
Feb.	112	81	114	86	133	124	114	185	117	122
Mar.	114	91	114	86	133	131	114	183	120	123
Apr.	116	84	112	86	133	137	117	182	120	124
May	117	81	112	86	133	137	118	181	120	124
June	118	79	112	86	133	134	119	181	120	124
July	119	82	112	86	133	132	120	180	120	124
Aug.	118	87	113	86	133	125	120	178	119	124
Sept.	116	98	114	86	134	121	120	175	119	124
Oct.	115	91	114	86	134	121	120	174	118	124
Nov.	114	90	114	85	134	121	120	174	118	124
Dec.	113	84	114	85	134	120	120	171	117	124
1959	111	76	114	82	134	125	120	163	116	125
Jan.	114	83	114	85	134	122	120	169	117	124
Feb.	113	80	114	84	134	121	120	165	116	124
Mar.	111	78	114	83	134	121	120	165	116	124
Apr.	112	69	113	82	134	124	120	164	115	124
May	112	64	113	82	134	126	120	162	115	124
June	112	63	112	82	134	134	120	161	117	124
July	112	75	113	82	134	131	121	161	117	125
Aug.	110	77	114	82	134	126	121	161	116	125
Sept.	110	83	116	81	134	124	121	161	116	125
Oct.	109	81	116	80	134	124	121	162	116	126
Nov.	108	79	116	80	134	123	121	161	115	126
Dec.	107	76	117	80	134	126	121	161	115	126
1960										
Jan.	106	73	116	79	135	126	121	162	115	125
Feb.	106	68	116	78	135	126	121	161	114	126
Mar.	107	70	116	77	136	125	121	161	115	126
Apr.	109	79	115	78	136	130	121	162	117	126
May	110	75	115	77	136	133	121	162	117	126
June	110	73	115	77	136	136	121	163	118	126
July	111	74	116	78	138	134	121	163	118	127
Aug.	111	80	117	78	138	127	122	161	117	127
Sept.	110	90	118	79	138	125	123	161	117	127

1/ Includes chicken and fish. 2/ Includes butter. 3/ Excludes butter. 4/ Includes only foods consumed at home.

Bureau of Labor Statistics.

U. S. Department of Agriculture
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The next issue of the National Food Situation is scheduled for release February 1961.